



TOWN OF FARRAGUT FY2019/2020 BUDGET



Allison Myers
11408 Municipal Center Drive

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TOWN OF FARRAGUT

TOWN OFFICIALS

Board of Mayor and Aldermen

Ron Williams, Mayor

Louise Povlin, Vice-Mayor

Ron Pinchok, Alderman

Scott Meyer, Alderman

Drew Burnette, Alderman

Leadership Team

David Smoak, Town Administrator

Janet Curry, Human Resources Manager

Mark Shipley, Community Development Director

Bud McKelvey, Public Works Director

Darryl Smith, Town Engineer

Allison Myers, Town Recorder/Treasurer

Sue Stuhl, Parks & Recreation Director

The Town of Farragut was incorporated on January 16, 1980 and was named after Admiral David Glasgow Farragut, the first admiral of the United States Navy, who was born in the Farragut area.

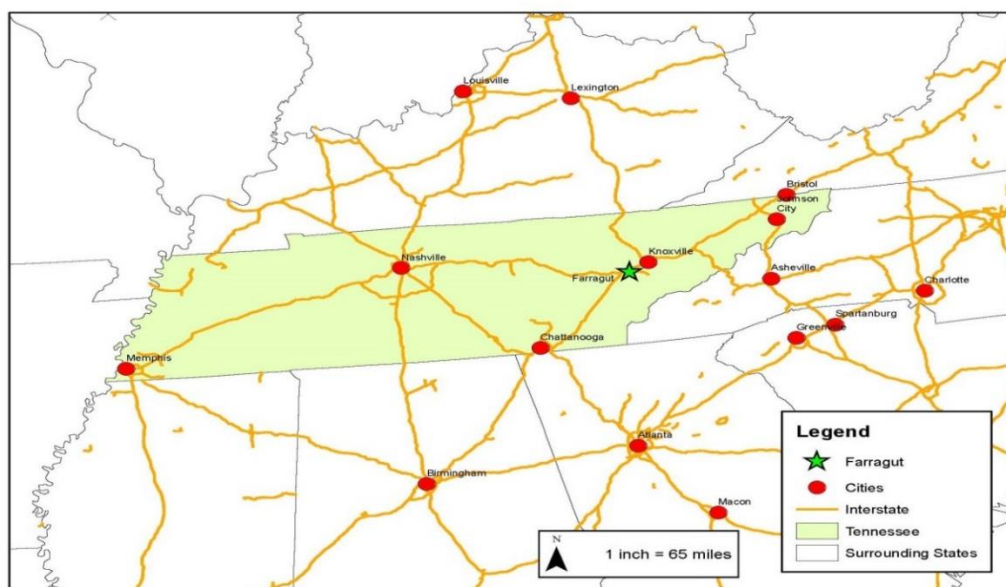
Farragut has significant historic presence, which includes the well-known Campbell Station Inn and the Battle of Campbell Station. The Campbell Station Inn, built in the early 1800s, still exists today and is located at the northeast corner of Campbell Station Road and Kingston Pike. At its height, the Inn served as a stopping place for families, hunters and stock drivers passing through Knoxville and notable guest at the Inn include former President Andrew Jackson and former Tennessee Governor John Sevier.

Civil War history includes the Battle of Campbell Station, which took place on November 16, 1863 and was fought on land surrounding the Farragut Town Hall. This decisive battle involved Burnside's Union forces defeating Longstreet's

Confederate forces as they marched toward Knoxville.

In 2010, a Civil War Trails Historical Marker was dedicated on the grounds of the Farragut Town Hall to commemorate this battle. Today, Farragut is primarily a bedroom community serving the business, educational, and industrial sectors of Knoxville, Tennessee, and the United States Government facilities located in Oak Ridge, Tennessee.

The Town of Farragut is located in Knox County on the southwestern limits of the City of Knoxville, Tennessee, and is in close proximity to the City of Oak Ridge, Tennessee. Farragut was first settled in the early 1800's and was essentially an agrarian community until the early 1960's. It is now one of the most rapidly developing residential areas of Knox County.

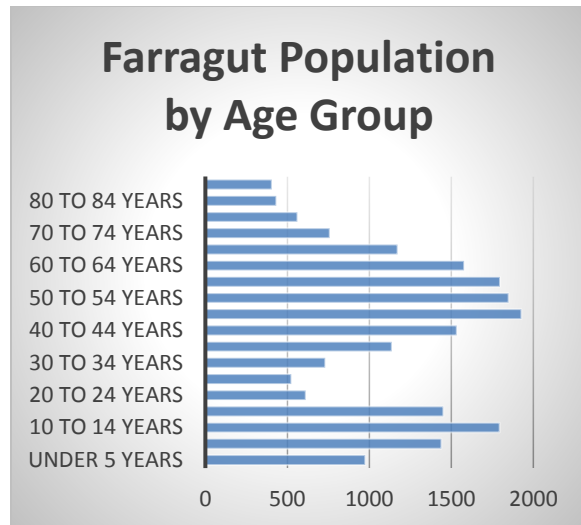


Demographics (2016 CENSUS)

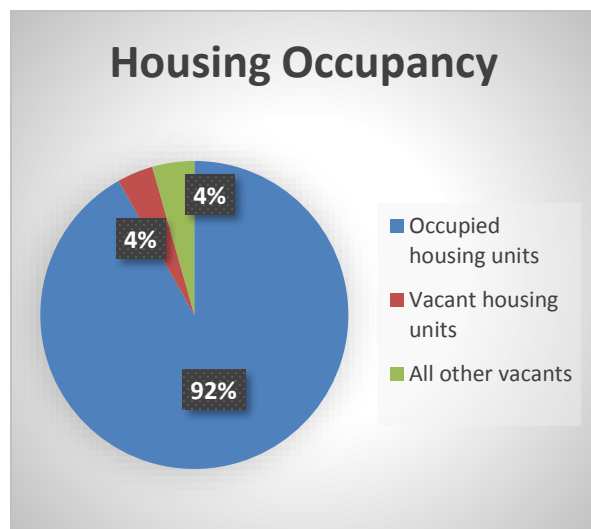
Population: 22,676

Households: 8,085

Median Age: 45



- According to the 2010 census, 92% of Farragut residents own a home.
- The median value of owner-occupied housing units in Farragut is \$302,800.



- The Town of Farragut does not have a municipal property tax and does not receive

any portion of the property tax paid to Knox County.

Top Town Employers

Tennova Health West/Women

Sitel

Knox County Schools

Kroger

NHC Healthcare

Ingels Food Store

Costco

Publix

Cracker Barrel

JC Penney

Kohl's

Climate

Annual Average Temperature: 70°

Annual Average Precipitation: 47.9"

Annual Average Snowfall: 6.5"

Elevation: 936' above sea level

Commuters

A commuter lot is available at the southwest corner of Campbell Station Road and Campbell Lakes Drive for residents who share rides. The commuter lot also serves as the trail head for the Grigsby Chapel Greenway.

Education

The five public schools that serve the Town of Farragut are all part of Knox County Schools and include Farragut Primary, Intermediate, Middle and High schools and Hardin Valley Academy. Kindergarten is mandatory in Knox County, and a child must be age five on or before Sept. 30 for current year enrollment. Documentation needed to register a child for school includes a birth certificate, social security number and proof of immunizations. Call the schools listed in the Community Services section of this publication for more information.

Healthcare

The Town of Farragut has a full-service hospital, Turkey Creek Medical Center operated by Tennova, conveniently located on Parkside Drive. The hospital features a 24/7 emergency room; ICU; state-of-the-art surgical suites; cancer, heart and sleep centers; and various women's services. In addition, numerous general and specialized physician offices are located within the Town.

Law Enforcement and Fire/Ambulance Service

Law enforcement for the Town of Farragut is provided by the Knox County Sheriff's Department. Fire, emergency and ambulance service is available by subscription with Rural/Metro Corporation.

Location

Region: East

County: Knox

Distance From: Atlanta, 240 miles; Nashville, 185 miles

The Town of Farragut encompasses 16.2 square miles. Farragut is bound to the north by Interstate 40/75 except at Campbell Station Road, Snyder Road and the Outlets Drive area; to the south by Turkey Creek Road and the Norfolk Southern Railroad line; to the west at the Loudon County Line; and to the east by Lovell Road on the north side of Kingston Pike and Thornton Heights and Concord Hills subdivisions on the south side of Kingston Pike.

Farragut is ideally located for commuting to Oak Ridge, Knoxville, Maryville, Alcoa, Loudon County and the McGhee Tyson Airport. In addition, access to recreational opportunities such as Tennessee's waterways (seven lakes), the Smoky Mountains, the nationally acclaimed Knoxville Zoo, numerous cultural outlets and tourist areas such as Gatlinburg, along with

award-winning Knox County schools, makes Farragut a premier community.

Taxes

The Town of Farragut does not have a municipal property tax. Farragut residents pay the same property tax as other Knox County residents; \$2.32 per \$100 of assessed property value.

Property is assessed at 25 percent of the residential market value and 40 percent of the commercial market value. Sales tax in Knox County is 9.25 percent (state tax 7 percent, local sales tax 2.25 percent) except for groceries, which are taxed at 5.5 percent plus 2.25 local sales tax.

Transportation

Railroads: CSX & Norfolk Southern

Interstate Highways: 40, 75, 81, 140, 640

U.S. Highways: 11, 25, 70, 129, 321, 411, 441,

25W Navigable Waterway: Tennessee River, Channel Depth 9', Knoxville is nearest port

Airport: McGhee Tyson serving metropolitan Knoxville, located in Alcoa, Tenn.

Utilities

Town of Farragut utilities are provided by First Utility District (water and sewer), Knoxville Utilities Board (gas) and Lenoir City Utilities Board (electric). Other utilities and services include cable television and garbage services. Recycling is available from Knox County and private vendors. Specific vendor information is located in the Community Services Directory of this publication.

Voter Registration

The next Town election will be held in conjunction with Knox County and is scheduled in August 2020. The election is for the seats of two Aldermen (one from Ward I and one from Ward II). To be eligible to vote in Town, county, state or national elections, all Town residents must register with the Knox County Election Commission. Voter registration and change of address forms are available at the Knox County Clerk's satellite office on the second floor of the Farragut Town Hall. To register, voters must be 18 years old, a resident of Tennessee for at least 20 days, have a permanent address in Farragut and provide their birth date and social security number. More information is available through the Knox County Election Commission at (865) 215-2480.

Citizen Committees

The Town of Farragut is fortunate to have caring and concerned citizens who volunteer on a number of boards and committees. These volunteers spend a great deal of time, talent and hard work in the community and their continued commitment is a significant asset to

the exceptional quality of life for residents of the Town of Farragut.

There are 10 committees that meet to discuss Town business. All citizen committees are appointed by the Board of Mayor and Aldermen with the exception of the Farragut Municipal Planning Commission, which is appointed by the Mayor. Appointments are made by the Board of Mayor and Aldermen in late May and early June of each year. The Farragut committees are:

- Arts & Beautification Committee
- Board of Plumbing Gas/Mechanical Examiners
- Board of Zoning Appeals (BZA)
- Farragut Museum Committee
- Farragut/Knox County Schools Education Relations Committee
- Municipal Planning Commission (FMPC)
- Parks and Athletics Council
- Stormwater Advisory Committee
- Visual Resources Review Board (VRRB)
- Tourism/Visitors Advisory Committee



GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished
Budget Presentation
Award*

PRESENTED TO

Town of Farragut

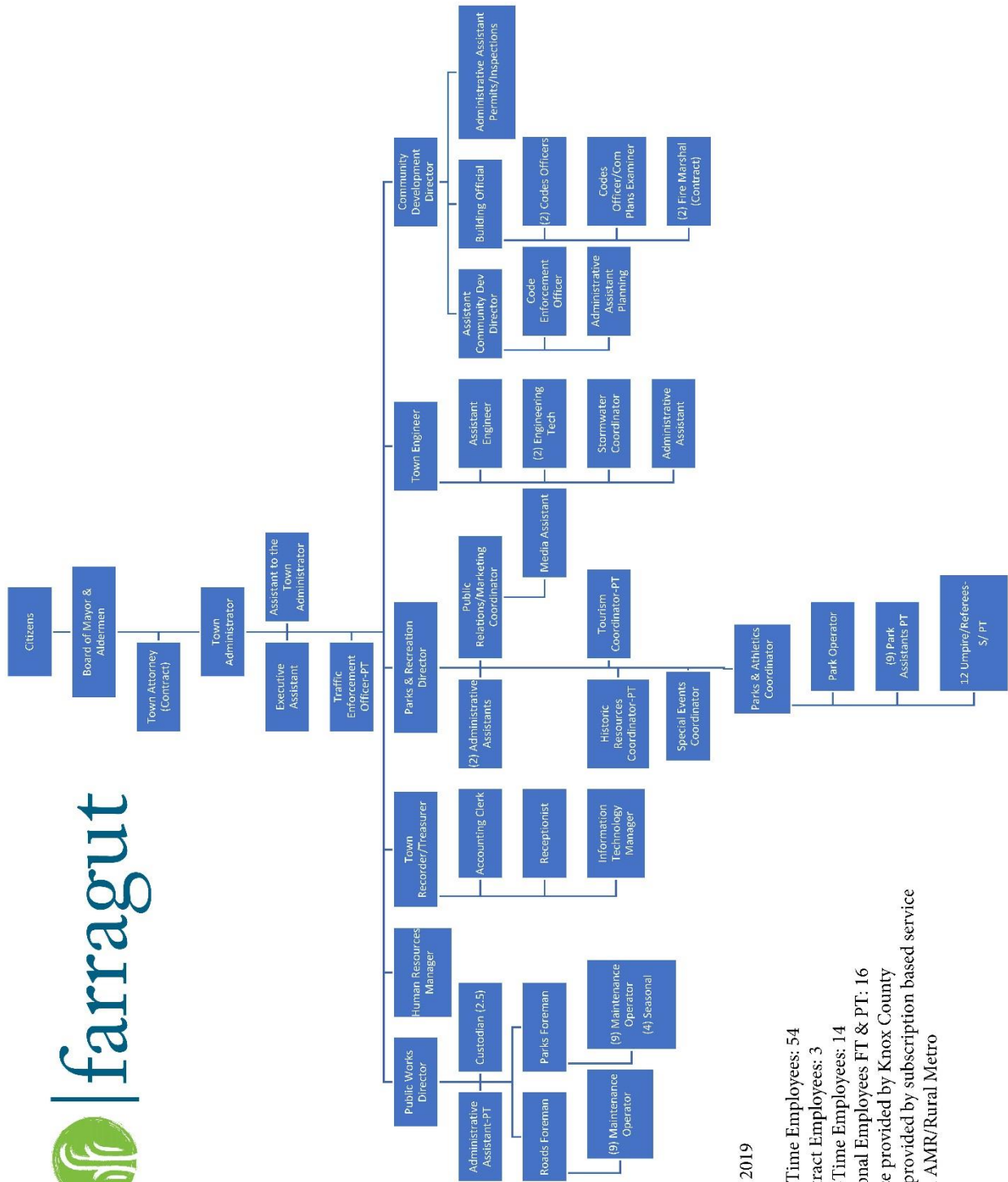
Tennessee

For the Fiscal Year Beginning

July 1, 2018

Christopher P. Morrell

Executive Director



June 2019

Full-Time Employees: 54

Contract Employees: 3

Part-Time Employees: 14

Seasonal Employees FT & PT: 16

Police provided by Knox County

Fire provided by subscription based service

from AMR/Rural Metro

Ron Williams, Mayor
Ron Pinchok, Alderman
David Smoak, Town Administrator
Allison Myers, Town Recorder



Louise Povlin, Vice-Mayor
Scott Meyer, Alderman
Drew Burnette, Alderman

Dear Farragut Citizens:

The Farragut Board of Mayor and Aldermen and the Town staff are pleased to present the 2020 Fiscal Year (FY) budget. During the budget planning and development process, the elected officials and Town staff evaluated the community's needs and the local government's role in meeting them. The Town staff has prepared a fiscally conservative and balanced budget, which reflects the exceptional level of service provided to Farragut residents. Some of the Town's FY20 budget priorities include construction of important roadway improvements, pedestrian connections, and park infrastructure enhancements.

In December, the Board of Mayor and Aldermen (BMA) adopted the Town's Strategic Plan, outlining priorities for the current year. The Strategic Plan provides a road map for the Town's future, aligning Farragut's vision, goals and objectives for the next 10 years and beyond. Furthermore, the FY20 General Fund and Capital Investment Program (CIP) budgets were approved to meet the goals identified in the Strategic Plan.

In addition, specific and measurable objectives were created to help staff measure performance across departments and gauge success. Together, the Strategic Plan, goals, and objectives bring added focus to our work and to the direction provided in the budget process.

Economic Outlook

Today, the Farragut area continues to experience economic growth rates that exceed almost any other area in the East Tennessee region. New subdivisions are currently under development in Farragut and there continues to be strong interest from developers to initiate more residential projects. In addition, commercial development remains steady with an increase in the redevelopment and infill of vacant commercial areas.

Although the Farragut economic base is steady, there is some uncertainty about external factors that may impact our local economy heading into FY2020 and beyond.

The Tennessee General Assembly enacted legislation in 2016 that will eliminate the Hall Income Tax by the year 2021. The eventual elimination of this revenue source could have a long-lasting impact on both our General Fund operations and the Town's Capital Investment Program. Additionally, the implementation of the IMPROVE Act, although increasing funding to support road and infrastructure replacement, when combined with the loss of the Hall Tax, will reduce overall Town revenues.

Such "challenges" make it imperative that we continue to position the Town of Farragut to meet the demands of an uncertain future. While it is essential to maintain a conservative approach toward financial management and expansion of services, we should never forget why our residential and

corporate citizens choose to be in Farragut. The Town of Farragut is able to deliver essential community services in a cost-effective manner, while investing in infrastructure and facility improvements that enhance the quality of life for our residents as well as the desirability of our community.

Core Principles for Preparation of this Budget

Long Range Planning and Direction Established - The Capital Investment Program is an essential component of the Town's budget process and allows for broader understanding and deliberation on the essential long-term capital needs of a developing Town. The strategic planning process, approved by the Board of Mayor and Aldermen, provides direction to staff on the mutually agreed upon needs of the community.

Capital Investments Funded – The Town's FY20 Capital Investment Program (CIP) is \$21,345,000. The CIP budget emphasizes the continuation of investing in the design and construction of capital projects and major infrastructure. Some areas of focus are park enhancements, road improvements and new pedestrian connections – all essential to future growth and development.

The major funding source for the FY20 CIP is the General Fund operating transfer of \$7,250,000 before June 30, 2020. The transfer is possible due to positive revenue collections over the past few fiscal years. Managing capital investments in a fiscally conservative manner allows the Town to reduce the amount of long-term debt that would otherwise be needed to meet the needs of the community.

Cost Effective Service Delivery - The FY20 budget was formulated on the belief that, regardless of the sound financial position of the Town, Farragut must always look for ways to maintain and improve existing services, while minimizing potential long-term costs.

Municipal service delivery, by its very nature, is a labor-intensive endeavor. Roughly 64% of the total General Fund budget is allocated to personnel services. Municipal departments continue to focus on identifying equipment, technology and processes that allow existing employees to deliver community services more efficiently.

Personnel changes in the FY20 budget are reflected below:

- Parks and Recreation Department-
 - Historic Resources Coordinator; full-time to part-time status
 - Media Assistance; part-time to full-time status
- Public Works Department-
 - Addition of a full-time custodian position for the Community Center

A chart reflecting the major budget changes from FY19 to FY20 follows.

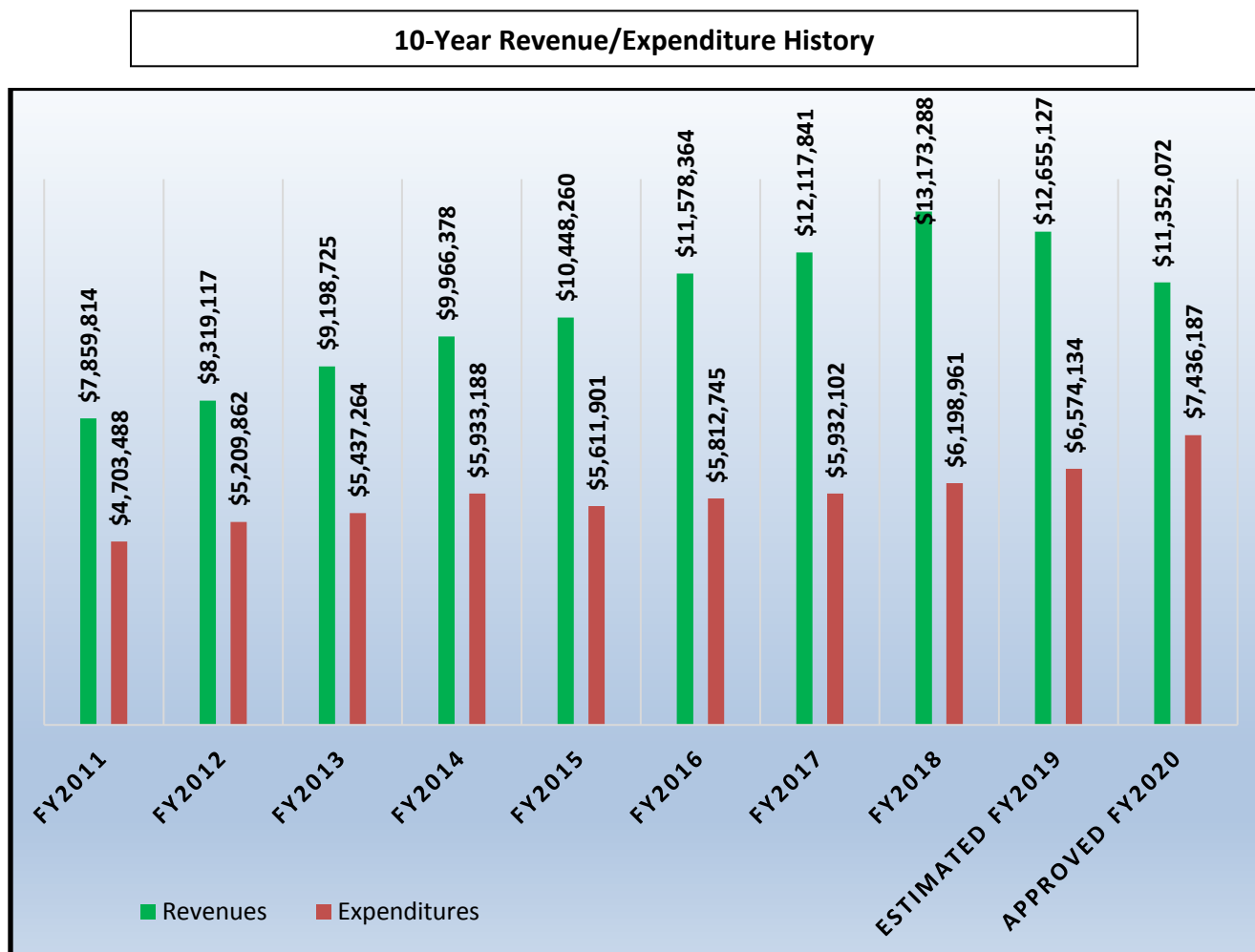
Budget Enhancements		
Enhancement	Department	Reason
Up to 4% Merit Increase	All departments	Employee Merit Plan
Community Center Expenses \$312,008	Community Center	Opening of the Community Center-Portion is shared with Knox County

Quality Employees - By necessity, the provision of responsive, quality public services with a lean staff requires the very best people in our organization. The ability to deliver services efficiently and effectively to residential and corporate citizens means that Farragut is able to attract and retain the most qualified and competent employees for each position. In addition, the Town competes in a competitive labor market with surrounding jurisdictions for essential personnel. Accordingly, a competitive salary and benefits package is essential to attract, retain, and motivate outstanding employees. The FY20 budget provides funding to perform a comprehensive classification and compensation study of all positions to ensure we are maintaining a competitive pay plan and excellent benefit programs in the areas of retirement, medical and dental coverage, annual/sick leave, etc.

GENERAL FUND

The total General Fund budget is \$7,436,187, which represents an increase of \$424,436 or 6% increase over last year's budget of \$7,011,751. The Town of Farragut budget maintains its current level of service and is balanced without dipping into the Rainy-Day Fund, which equals 30% of total expenditures.

Since FY11, both revenues and expenditures have steadily increased. The Town has increased staff to accommodate the expansion of projects and services. The chart below shows the historical data for both revenues and expenditures over the last several years.

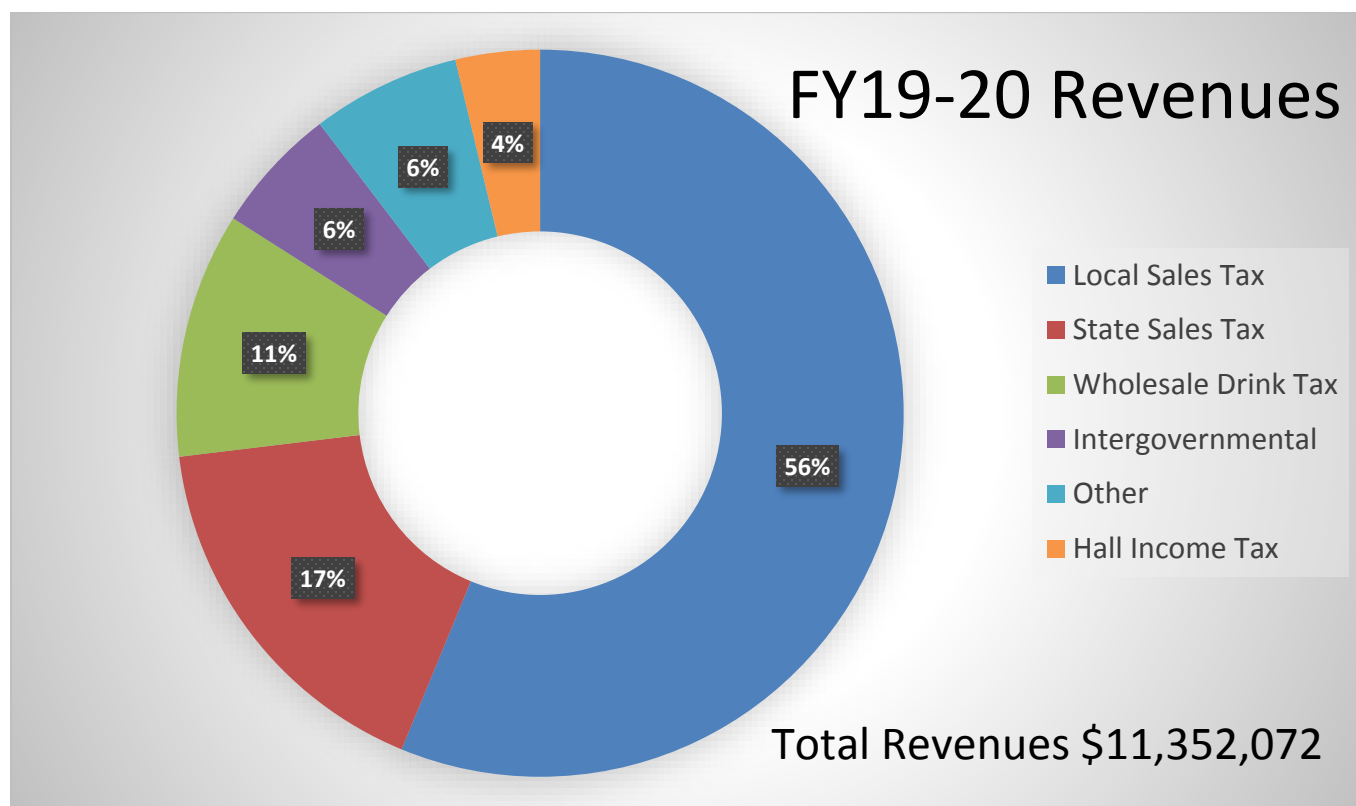


The FY20 budget was developed with a philosophy that the BMA must continually look for opportunities to maintain and improve existing services while minimizing long-term costs.

REVENUES

The FY20 General Fund budget will be balanced with projected revenue collections during the fiscal year. Projected revenue for FY20 is \$11,352,072, up \$432,752 or 4% from the FY19 budget of \$10,919,320.

The Town of Farragut does not collect a municipal property tax from its citizens or businesses. The single largest source of the Town's revenue comes from local sales tax, which has steadily grown with the expansion of commercial development, particularly with the success of the Turkey Creek regional retail trade area and the local commercial growth along the Kingston Pike corridor. In addition to the local sales tax, the Town also receives a portion of the State of Tennessee sales tax which accounts for 17% of its total revenue. The Town estimates and budgets the revenues for each fiscal year very conservatively due to the market volatility of the local sales tax and state shared tax.



While the FY20 budget projects satisfactory revenue growth, there is long term challenges facing the Town that will need to be addressed in future budgets.

Growth in local option sales tax has been the primary source of new revenue over the past 10 years, and the potential combination of slowing sales tax growth coupled with a reduction in Hall Income tax revenues have the potential to create financial challenges in the future.

EXPENDITURES

The General Fund expenditures in FY20 are \$7,436,187. The budget adequately covers the operational needs of all departments and investments in equipment, technology, and other resources that allow staff to deliver services effectively. Also included in the FY20 budget are transfers to other funds. This includes a \$175,000 transfer to the Equipment Replacement Fund, a \$7,250,000 transfer to the Capital Investment Fund, and a \$150,000 transfer to the ADA Capital Fund.

The Town will continue to concentrate our efforts on tourism related revenue opportunities to help drive consumers to stay, eat, and shop in Farragut. The Town of Farragut's location near the junction of I-75/I-40, regional shopping and dining in Turkey Creek and wonderful family amenities make it a welcome stop for travelers.

DEBT

There is no debt in the Town's FY2020 budget. The Town has been debt free since 2001. The last debt issued was \$500,000 in 1997. The organizations philosophy has been to pay as we go, rather than issue bonds for Capital Investment Projects.

EQUIPMENT REPLACEMENT FUND

Pursuant to the Governmental Accounting Standards Board (GASB) Statement #54, the Equipment Replacement Fund is considered a component activity of the General Fund for reporting purposes in the Comprehensive Annual Financial Report (CAFR). However, the fund is budgeted separately to simplify the review and oversight of an important activity that provides for the annual accumulation of reserves over multiple years for the purchase of higher cost replacement vehicles and equipment. This approach ensures relative consistency in General Fund budgetary obligations over a multi-year period and avoids major fluctuations in capital purchases in a single year and the borrowing of funds to pay for the purchases. The FY20 proposed budget for the Equipment Replacement Fund has expenditures totaling \$192,000. The transfer from the General Fund is \$175,000, an increase of \$25,000 over the previous fiscal year. The transfer of additional funds is a strategic increase that will continue to be transferred for the coming fiscal years in anticipation of higher replacement costs. The expenditures include the purchase of a Stormwater camera, replacement of a brush chipper/mulcher, John Deere Gator and three (3) pickup trucks.

STATE STREET AID FUND

The FY20 budget for the State Street Aid Fund is \$865,000. The State of Tennessee distributes a portion of the state gasoline tax collected per gallon to all cities based on population with the proceeds historically used by Farragut for the annual street-resurfacing program. The FY20 projected revenue from the state gas tax is \$865,000. Revenue for this fund has increased 27% over the past two years as a result of the IMPROVE Act approved by the Tennessee General Assembly in 2017. The total investment

for resurfacing in FY20 is projected to be \$650,000. Resurfacing decisions are made after an annual field inspection and priority ranking of roads relative to condition, use and available funding.

INSURANCE FUND

This fund was created to centralize the payment of all retirement benefit related expenditures. There are no expenditures budgeted for FY20. The retirement fund used for this purpose is now closed to new participants and all future benefits are fully funded.

CAPITAL PROJECTS FUND

The Capital Projects Fund is used to consolidate the acquisition, design and construction of major capital improvements of the Town. The FY20 budget of \$21,345,000 provides funding for a variety of projects in program areas such as transportation, parks and recreation and general facility/equipment. The CIP long-term budget includes expenditures of \$35,330,000 for roadway improvements and park projects through the year 2024.

There are 10 capital projects proposed for funding in FY20. Several of the largest projects include McFee Park Expansion (\$8,000,000); Union Road Improvements engineering (\$500,000), Smith Road Sidewalk construction (\$650,000); and stormwater improvements (\$750,000). More information on the FY20 projects is provided in the detail budget for the Capital Projects Fund.

The major differences in fund balance from FY19 to FY20 are expenditures that have been assigned but not spent yet. Various projects, budgeted in previous fiscal years, have to be accounted for to guarantee the funds will be available when the project is complete. When the projects continue a budget amendment will be necessary to assign the expenditure in the current budget.

ADA CAPITAL PROJECTS FUND

The ADA Capital Projects Fund is used to improve ADA access to the Town Hall and parks. The FY20 budget of \$150,000 provides funding to construct new ADA restrooms in the Farragut Town Hall.

SUMMARY

The Town of Farragut is currently in a very sound financial position. This publication summarizes our financial condition and highlights our priorities and objectives for the upcoming fiscal year. I hope you will take a few minutes to read through the budget to learn more.

The Town of Farragut – is redefining quality of life with a beautiful, close-knit, connected community where families and businesses thrive.

Respectfully Submitted,

David Smoak
Town Administrator

Fund Summary-FY2020

FY2020 FUND SUMMARY	General	Capital Investment Program	State Street Aid	Other Governmental Funds	Total
<u>Revenues:</u>					
Local Sales Tax	6,365,400	-	-	-	6,365,400
State Sales Tax	1,900,000	-	-	-	1,900,000
Licenses, Permits & Fees	367,200	-	-	-	367,200
Intergovernmental:					0
State Taxes	1,050,000	-	850,000	-	1,900,000
Grants		7,399,000	0	-	7,399,000
Wholesale Beer, Liquor & Mixed Drink	1,150,000	0	0	-	1,150,000
Other Income	419,472	0	0	-	419,472
Interest	100,000	100,000	15,000	10,100	225,100
Total Revenues	11,352,072	7,499,000	865,000	10,100	19,726,172
<u>Expenditures:</u>					
General Government	5,504,227	-		0	5,504,227
Public Works	1,931,960	-		-	1,931,960
Capital Outlay	0	21,345,000	865,000	342,000	22,552,000
Total Expenditures	7,436,187	21,345,000	865,000	342,000	29,988,187
Revenue over (under) expenditures	3,915,885	-13,846,000	0	-331,900	-10,262,015
<u>Other Financing Sources:</u>					
Total Transfers In	0	7,250,000	0	325,000	7,575,000
Total transfers out	-7,575,000	0	0	0	-7,575,000
Total other financing sources	7,575,000	7,250,000	0	325,000	15,150,000
Assigned Fund Balance	0	3,507,928	0	0	3,507,928
Fund Balance July 1	19,330,170	\$11,046,347	\$1,228,415	\$1,009,370	\$32,614,302
30% of Expenditures	2,230,856				
Fund Balance June 30	\$13,440,199	\$942,419	\$1,228,415	\$1,002,470	\$16,613,503

Multi-Year Fund Summary				Capital Investment Program		
	General					
	FY2017-18	FY2018-19	FY2019-20	FY2017-18	FY2018-19	FY2019-20
<u>Revenues:</u>						
Local Sales Tax	6,774,339	6,600,484	6,365,400	0	0	0
State Sales Tax	1,925,266	1,936,342	1,900,000	0	0	0
Licenses, Permits & Fees	675,150	663,400	367,200	0	0	0
Intergovernmental:						
State Taxes	1,795,146	1,669,437	1,050,000			
Grant Funding	0	0		959,747	0	7,399,000
Wholesale Beer, Liquor & Mixed Drink	1,384,611	1,257,122	1,150,000	0	0	0
Other Income	478,456	197,987	419,472	220,000	0	0
Interest	140,320	250,000	100,000	144,692	254,986	100,000
Total Revenues	13,173,288	12,574,772	11,352,072	1,324,439	254,986	7,499,000
<u>Expenditures:</u>						
General Government	4,468,066	4,846,457	5,419,227	0	0	0
Public Works	1,730,895	1,807,677	1,917,460	0	0	0
Capital Outlay	0	0	0	3,344,758	7,151,295	21,345,000
Total Expenditures	6,198,961	6,654,134	7,336,687	3,344,758	7,151,295	21,345,000
Revenue over (under) expenditures	6,974,327	5,920,638	4,015,385	-2,020,319	-6,896,309	-13,846,000
<u>Other Financing Sources:</u>						
Total Transfers In	0	0	0	4,000,000	3,500,000	7,250,000
Total transfers out	-4,350,000	-3,750,000	-7,575,000	0	0	0
Total other financing sources	-4,350,000	-3,750,000	-7,575,000	4,000,000	3,500,000	7,250,000
Assigned Fund Balance	0	0	0	3,136,962	3,483,212	3,507,928
Fund Balance July 1	14,374,850	16,999,177	19,169,815	12,462,975	14,442,656	11,046,347
30% of Expenditures	1,859,688	1,996,240	2,201,006			
Fund Balance June 30	15,139,489	17,173,575	13,409,194	14,442,656	11,046,347	942,419

Multi-Year Fund Summary				State Street Aid			Other Governmental Funds		
	FY2017-18	FY2018-19	FY2019-20	FY2017-18	FY2018-19	FY2019-20			
<u>Revenues:</u>									
Local Sales Tax	0	0	0	0	0	0			
State Sales Tax	0	0	0	0	0	0			
Licenses, Permits & Fees	0	0	0	0	0	0			
Intergovernmental:									
State Taxes	751,888	810,000	850,000	0	0	0			
Grant Funding	0	0	0	0	0	0			
Wholesale Beer, Liquor & Mixed Drink	0	0	0	0	0	0			
Other Income	0	0	0	25,243	5,978	0			
Interest	17,759	35,000	15,000	9,646	17,100	10,100			
Total Revenues	769,647	845,000	865,000	34,889	23,078	10,100			
<u>Expenditures:</u>									
General Government	0	0	0	0	0	0			
Public Works	0	0	0	0	0	0			
Capital Outlay	617,291	1,507,000	865,000	143,841	57,150	342,000			
Total Expenditures	617,291	1,507,000	865,000	143,841	57,150	342,000			
Revenue over (under) expenditures	152,356	-662,000	0	-108,952	-34,072	-331,900			
<u>Other Financing Sources:</u>									
Total Transfers In	200,000	100,000	0	150,000	150,000	325,000			
Total transfers out	0	0	0	0	0	0			
Total other financing sources	200,000	100,000	0	150,000	150,000	325,000			
Assigned Fund Balance	0	0	0	0	0	0			
Fund Balance July 1	1,438,059	1,790,415	1,228,415	852,394	893,442	1,009,370			
30% of Expenditures									
Fund Balance June 30	1,790,415	1,228,415	1,228,415	893,442	1,009,370	1,002,470			

Multi-Year Fund Summary

Total of All Funds

	FY2017-18	FY2018-19	FY2019-20
<u>Revenues:</u>			
Local Sales Tax	6,774,339	6,600,484	6,365,400
State Sales Tax	1,925,266	1,936,342	1,900,000
Licenses, Permits & Fees	675,150	551,355	367,200
Intergovernmental:	0	0	0
State Taxes	2,547,034	2,479,437	1,900,000
Grant Funding	959,747	0	7,399,000
Wholesale Beer, Liquor & Mixed Drink	1,384,611	1,257,122	1,150,000
Other Income	723,699	396,365	419,472
Interest	312,417	557,086	225,100
Total Revenues	15,302,263	13,778,191	19,726,172
<u>Expenditures:</u>			
General Government	4,468,066	4,766,457	5,504,227
Public Works	1,730,895	1,807,677	1,931,960
Capital Outlay	4,105,890	8,715,445	22,552,000
Total Expenditures	10,304,851	15,289,579	29,988,187
Revenue over (under) expenditures	4,997,412	-1,511,388	-10,262,015
<u>Other Financing Sources:</u>			
Total Transfers In	4,350,000	3,750,000	7,575,000
Total transfers out	-4,350,000	-3,750,000	-7,575,000
Total other financing sources	0	0	0
Assigned Fund Balance	3,136,962	3,483,212	3,507,928
Fund Balance July 1	29,128,278	34,125,690	32,614,302
30% of Expenditures	1,859,688	1,972,240	2,230,856
Fund Balance June 30	32,266,002	30,642,062	16,613,503

Budget Process

The Town of Farragut's budget process begins with a review of current Town finances such as sales tax revenue, wholesale beer and liquor tax revenue, building permits and other intergovernmental funds; and current expenditures.

The budget document that is presented to the Board of Mayor and Alderman represents the culmination of extensive research and analysis. The budget document is intended to provide the legislative body, as well as the public, a comprehensive picture of proposed operations for the budget year based on the following guidelines:

- The primary objective is to provide the highest possible level of service to residents without impairing the Town's sound financial condition.
- The budget must be balanced for each fund and the total projected revenues and funding sources must be greater or equal to the total anticipated expenditures.
- The General Fund balance should be maintained at 30% of expenditures.
- The internal budgetary control is maintained at the department level by line item and is designed to provide reasonable assurance that the aforementioned objectives are met.

Budget Adoption

The Town of Farragut Town Administrator submits an annual budget to the Board of Mayor and Aldermen. The budget provides a comprehensive financial plan for the upcoming fiscal year. In addition, state law requires that the budget presented must be balanced.

Public Notice

Publication of the proposed budget must be in a newspaper of general circulation and must be published not less than ten (10) days prior to the meeting where the governing body will consider final passage of the budget.

Budget Ordinance

The Board of Mayor and Aldermen adopts the budget by ordinance, after two required readings, on or before the last day of the current fiscal year.

Budget Amendments

Once approved, the Board of Mayor and Aldermen may amend the legally adopted budget by ordinance when unexpected modifications are required in estimated revenues and appropriations.

Each fund's appropriated budget is prepared on the following basis: Revenues are budgeted by source and Expenditures are budgeted by fund, which constitutes the legal level of control. Expenditures may not exceed appropriations at the legal level. All budget revisions at this level are subject to final review by the Board of Mayor and Aldermen. Within the aforementioned controls, management may transfer appropriations within the same fund. Appropriations between funds require approval from the Board of Mayor and Aldermen. Budgeted amounts are as originally adopted (or as subsequently amended) by the Board of Mayor and Aldermen.

Formal budgetary integration is employed as a management control device during the year for

the General Fund, Special Revenue Fund and Capital Projects Funds.

BUDGET BASIS

Governmental Funds

The Town's budget is prepared on a modified accrual basis of accounting. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. "Measurable" means the amount of the transaction can be

determined and "available" is defined as collectible within the current period or within 60 days of the end of the current fiscal period. Expenditures, other than interest on long-term debt, are recorded when the related fund liability is incurred, if measurable. However, debt service expenditures, as well as expenditures related to compensated absences, claims and judgments, are recorded only when payment is due.

BUDGET CALENDAR

The budget process begins in January with the distribution of the budget calendar to department directors. In February the department directors submit their year-end estimates and requests for the coming year to the Town Recorder. Over the following weeks the Capital Investment Fund, Equipment Replacement and program changes are submitted as well. After review, the base budgets are submitted to the Town Administrator. The list of important dates in the budget process is shown below.

FY2019-20 BUDGET CALENDAR

December 2018 – Board of Mayor and Aldermen Strategic Plan Update

February 15, Friday – Department Base Budgets, Expenditures/Revenue Projections, Program Changes Due

March 1, Friday – CIP Budget, Equipment Replacement Budget Due

March 14, Thursday – General Fund Revenue/Expenditure Projections, Program Changes – BMA Workshop

March 28, Thursday – CIP Workshop

March 29, Friday - Community Grant Submittal Deadline

April 11, Thursday – Equipment Fund, CIP, Other Fund – BMA Workshop

April 25, Thursday – Open

April 26 – May 15 - Town Administrator preparing draft budget

May 16, Thursday – Draft Budget to BMA

May 10, Wednesday – Budget Ordinance published in the paper

May 23, Thursday – 1st Reading of Budget Ordinance

June 13, Thursday – 2nd and final reading of Budget Ordinance

May 17, Deadline for final:

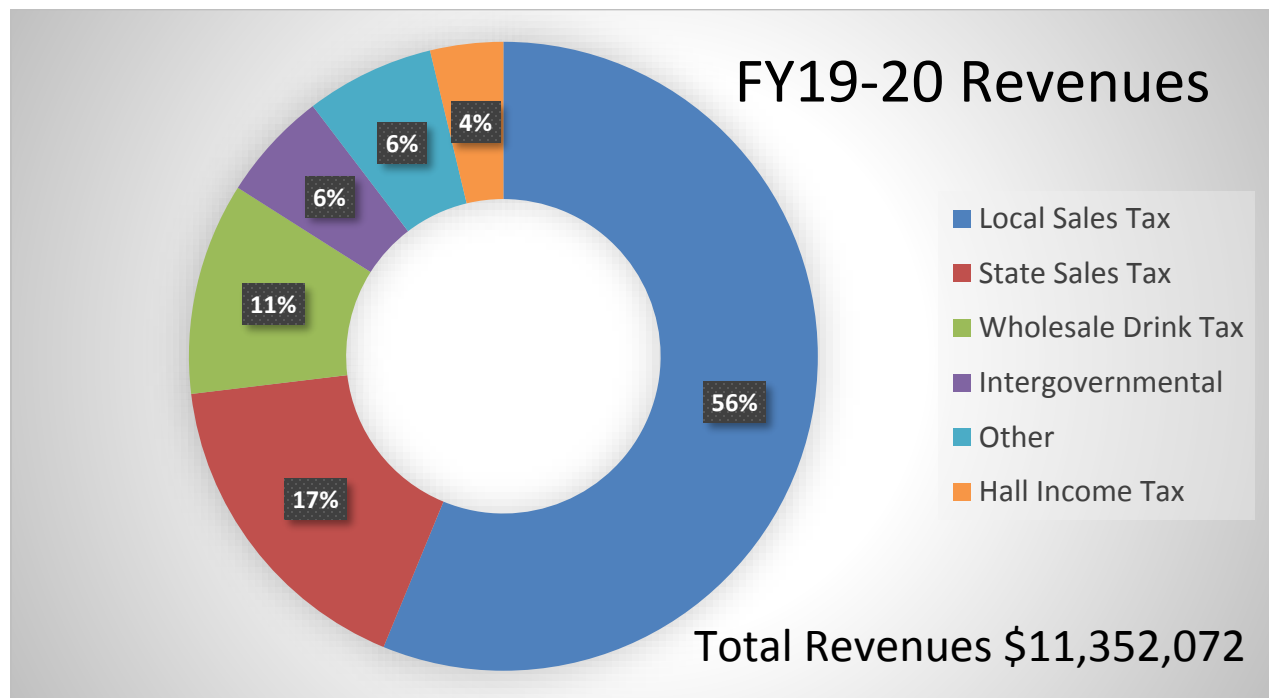
- Department goals & objectives
- Performance Measures
- Action Plan/Work program items

Revenue Analysis and Projections

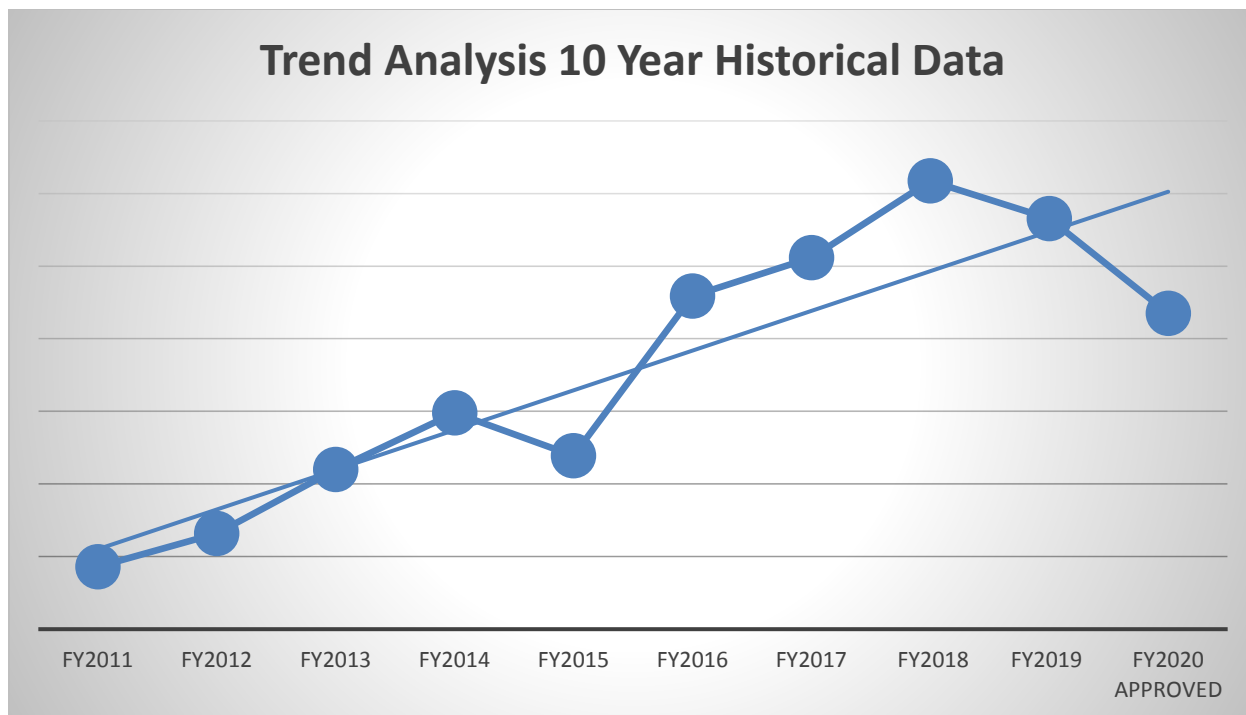
Fiscal Year 2020 projected revenue for the General Fund is \$11,352,072, up \$432,752 or 4% from the FY19 budget of \$10,919,320.

The single largest source of the Town's revenue comes from local sales tax at 56%. State sales tax is the second largest at 17% followed by Wholesale Drink Tax at 11%. The Town estimates and budgets the revenues for each fiscal year very conservatively. This is due to the primary source of revenue being local sales tax and State shared tax.

The chart below shows the percentages of total revenue each revenue source contributes.



The budgeted revenues in FY2020 are based on trend analysis over the past ten (10) years. After an analysis of businesses opening within the Town and historical data, it was concluded to budget an increase in revenues of approximately 4% more than FY19 budgeted revenues.

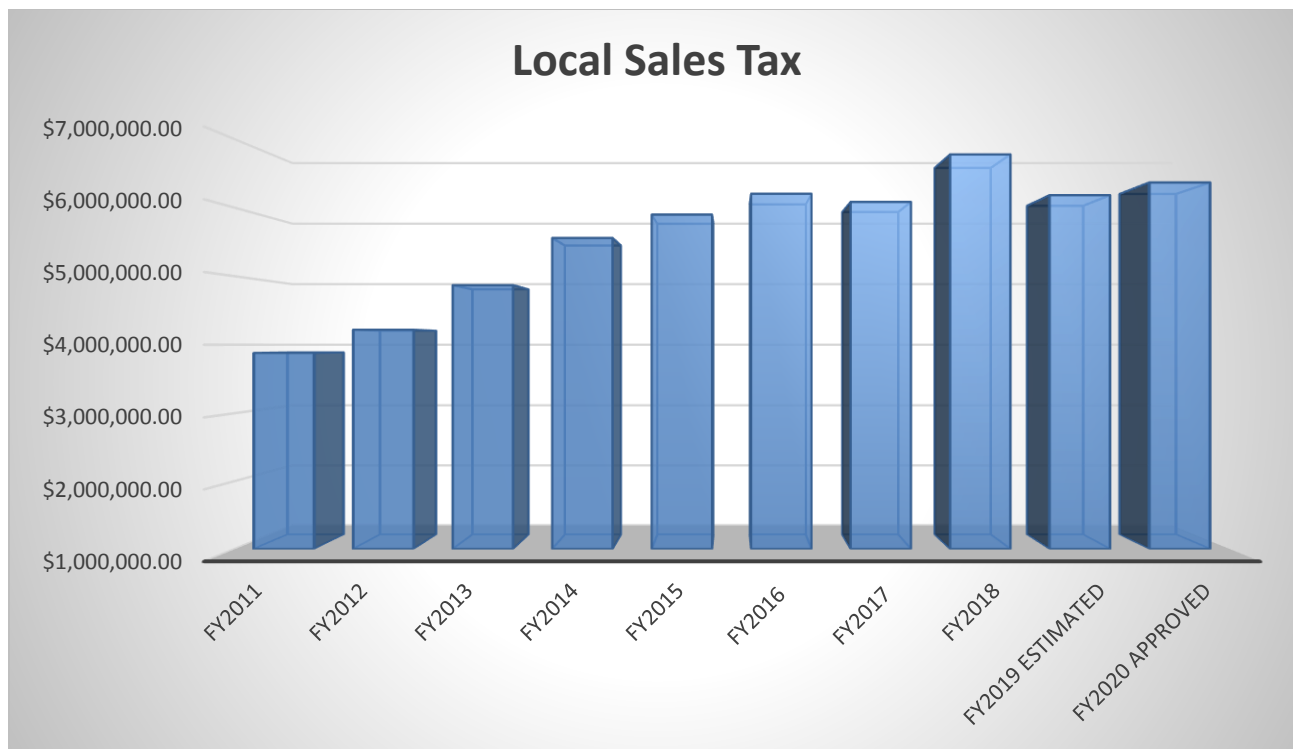


The following sections provide analysis and projections for FY20 for the General Fund revenue sources. Charts depicting the revenue history of some of the sources are also included.

Local Option Sales Tax \$6,365,400

Local option sales tax is the largest revenue stream and is a good indicator of economic growth within the Town. Sales tax is levied on the final sale of an item and remitted to the state by the retail merchants. Cities and counties may levy up to 2.75% local option sales tax in addition to the state sales tax of 7%. The Town receives 50% of 2.25% in local option sales tax. The fifty percent goes to the Knox County schools. The county remits the remainder to the Town on a monthly basis.

Local option sales tax has steadily grown with the expansion of commercial development, particularly with the success of the Turkey Creek retail area.



State Sales Tax \$1,900,000

Cities receive a share of the state sales tax directly from the state every month based on population. It is also the largest of the state shared revenues, accounting for more than half of the population-based state shared revenues.

Local Wholesale Beer Tax \$540,000

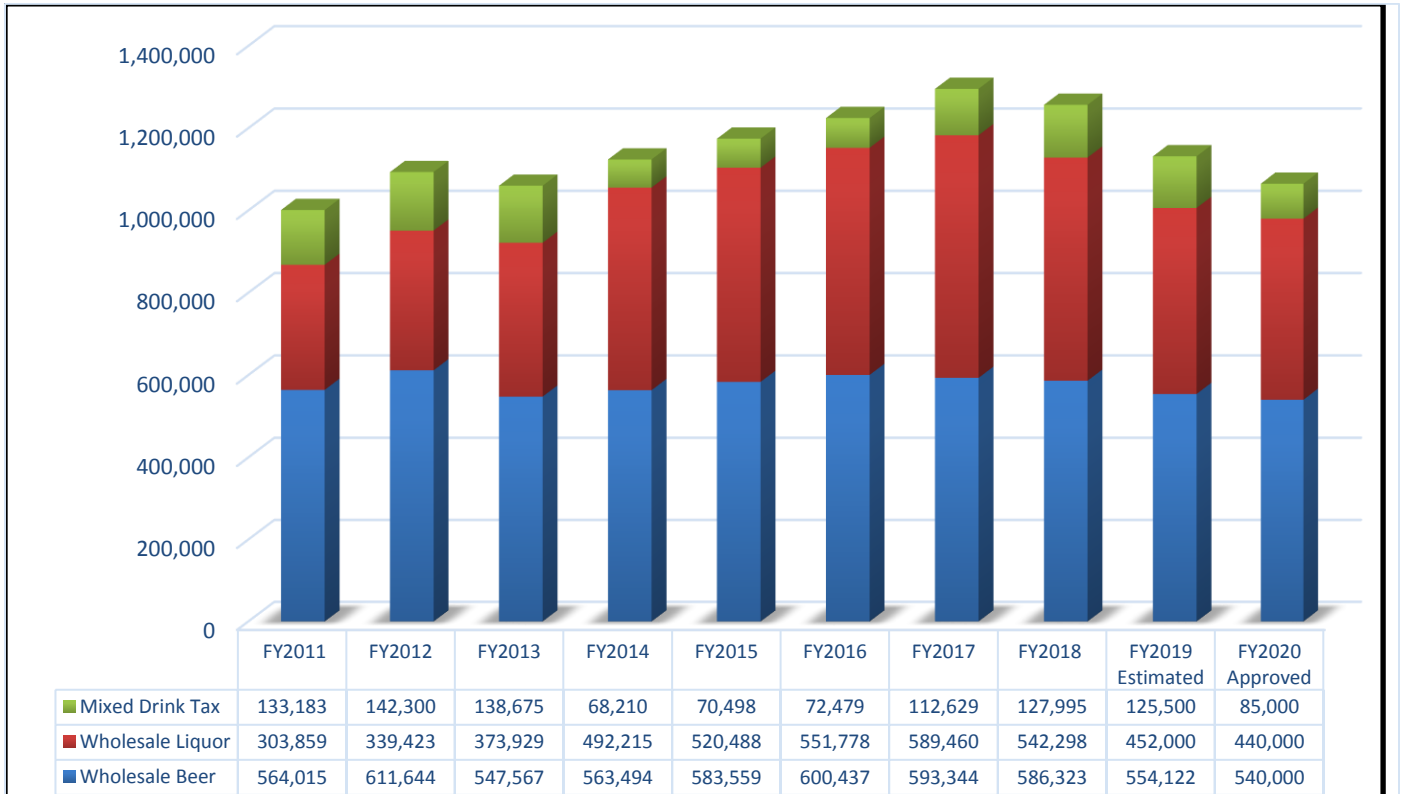
A 17% (minus three and one-half percent of total) Wholesale Beer Tax is authorized by the State. The tax is paid monthly by each beer wholesaler directly to the town, and monthly reports on such sales are made to the State Department of Revenue and to each town.

Local Wholesale Liquor Tax \$440,000

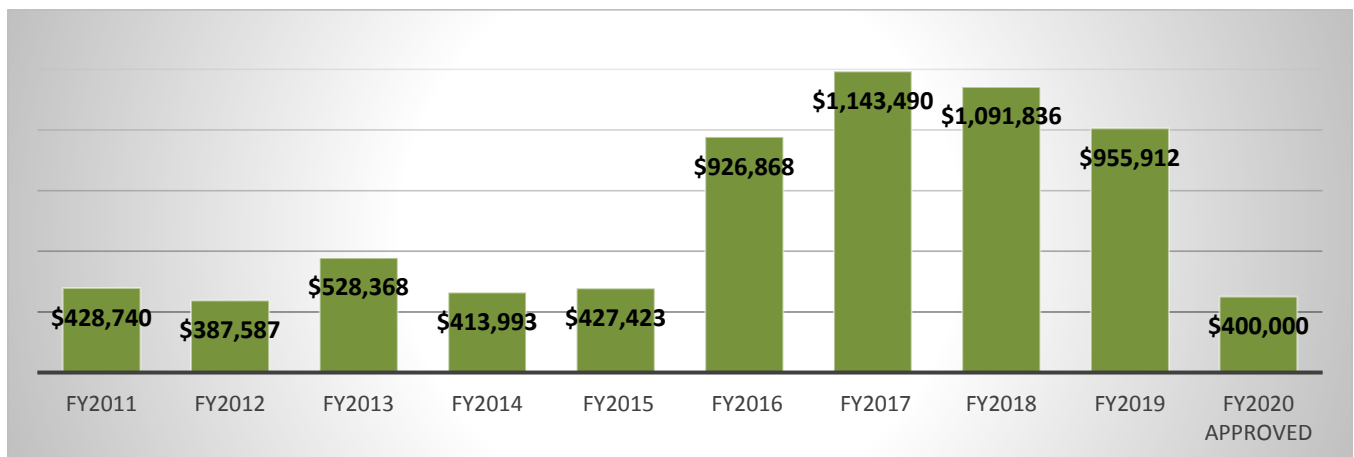
Depending on the size of the municipality's county, the municipality levies by ordinance five percent or eight percent inspection fee that is collected by the wholesalers from the retailer, within the town limits, during distribution. The wholesaler then retains five percent of the fee for performing the collection. The fee is five percent for the town since Knox County is greater than 60,000 in population.

Mixed Drink Tax**\$170,000**

A 15% tax levied by the State based on gross receipts on wine and spirit sales. The tax is earmarked for education and local government. Cities receive 25% of the portion of the tax collected from businesses within their boundaries. Of the 25%, fifty percent goes to Knox County. In the amount illustrated in the graph below is the remaining amount after remittance to Knox County.

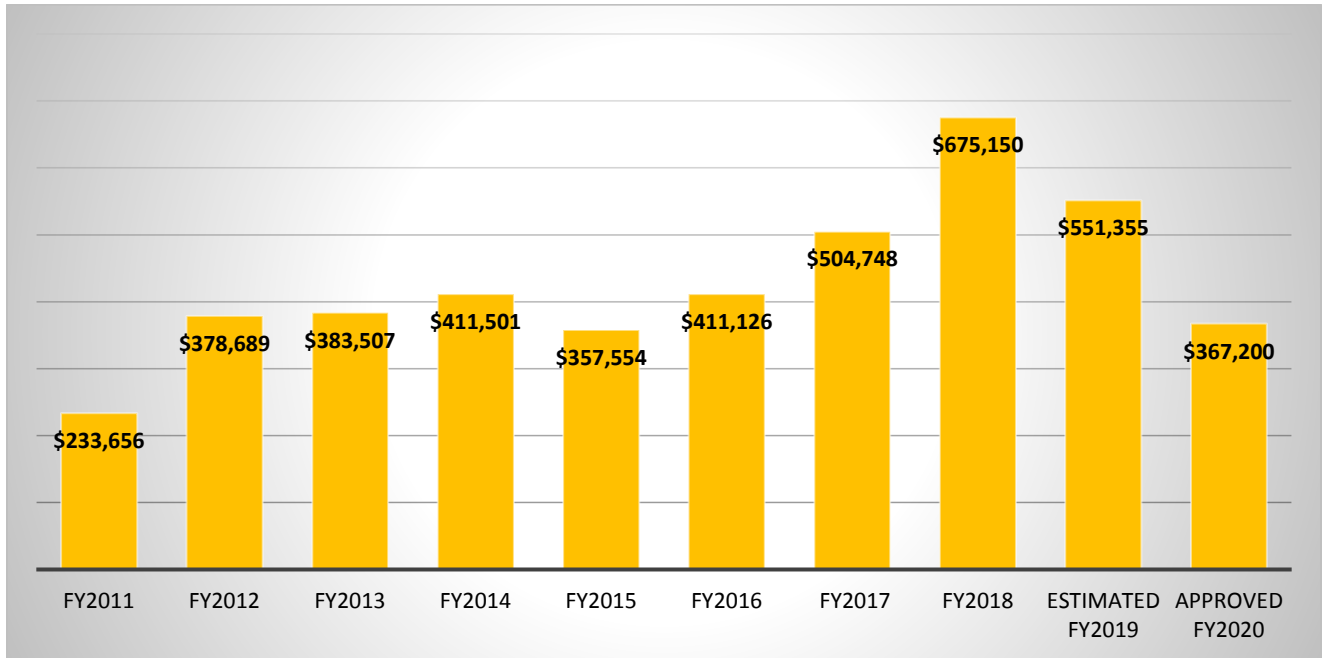
**Hall Income Tax/State Income Tax****\$400,000**

Three-eighths of the 4 percent state tax on certain dividends and interest income paid by taxpayers is remitted by the state to the Town in which the taxpayers live. Payment is made for all such taxpayers no later than the following July 31 based on taxes collected in the Town in the preceding fiscal year.



Building Permits \$367,200

Revenue received from the issuance of building permits. The Town is authorized and empowered to enact laws or ordinances to safeguard and protect the homeowner or prospective homeowner, commercial property owner or assembly building property owner by requiring the licensing of the residential, commercial or assembly builders and contractors.



Most revenues in other funds originate from the General Fund. Monies are transferred each year from the General Fund to the State Street Aid, Capital Investment Program (CIP) and Equipment Funds to offset expenses. The State Gasoline and Motor Fuel Taxes collected from the State are based on the population within the Town, therefore the amounts only change as the State either increases the amount per capita or a census is performed.

Strategic Plan/Goals & Objectives

A written policy statement provides a standard of fiscally wise partnership and governmental accountability. Recognizing the importance of such a written policy, in work sessions with the Board of Mayor and Aldermen, the Town leadership has the following long-term goals and objectives for FY20.

VISION

Farragut—redefining quality of life with a beautiful, close-knit, connected community where families and businesses thrive.

MISSION AND VALUES

Farragut—an appealing and engaged community set apart by a **dedicated** team committed to **integrity**, **innovation**, and **friendly service**.

CRITICAL SUCCESS FACTORS

- **Providing Excellent Parks, Recreation, Cultural Amenities and Programs**
- **Building and Maintaining the Town's Infrastructure and Assets**
- **Enhancing the Town's Financial Position**
- **Regional Leadership and Collaboration**
- **Advancing a High-Quality Built Environment**
- **Supporting and Caring for a Committed Workforce**
- **Promoting a Convenient Retail and Services Destination**



Town of Farragut Strategic Planning Framework

Vision

Farragut—redefining quality of life with a beautiful, close-knit, connected community where families and businesses thrive.

Mission and Values

Farragut—an appealing and engaged community set apart by a dedicated team committed to integrity, innovation and friendly service.

Critical Success Factors

Providing Excellent Parks, Recreation, Cultural Amenities and Programs

Farragut's expanded parks allow for a variety of experiences for visitors and residents. The Town provides events, programs and cultural activities that support tourism and enhance a sense of community. The Town's neighborhoods are connected by greenways and sidewalks to commercial activity hubs and parks.

Top Priority Initiatives

- Develop a detailed implementation plan for each phase of McFee Park development
- Develop plans for major volleyball sporting events to enhance sports tourism
- Develop programs and services to have a dynamic community center
- Develop a plan for future expansion of Mayor Bob Leonard Park

High Priority Initiatives

- Replace existing grass fields at McFee Park with turf
- Enhance sport field usage by developing tournament play at our facilities



Building and Maintaining the Town's Infrastructure and Assets

The Town of Farragut has established a safe transportation network for pedestrians, bicycles and automobiles. The stormwater system is reliable and well-maintained and the Town has the equipment it requires to meet the needs of a growing community. The Town's investment in technology, parks and buildings is cared for through proper maintenance and improvements.



Top Priority Initiatives

- Watt Road / Kingston Pike intersection improvements completed
- Continue assessment of the Town's stormwater infrastructure

High Priority Initiatives

- Finalize Union Road design and start purchasing of Right-of-Way
- Prioritize future greenway connections

Enhancing the Town's Financial Position

Strong fiscal leadership has enabled the Town to maintain its excellent financial position. Expanded retail opportunities and additional revenue sources will support important programs and services. The Town actively pursues grants and sponsorships to maintain and support programs and assets and sets goals, establishes benchmarks and utilizes best practices to fund priority initiatives.

Top Priority Initiatives

- Establish a dedicated funding mechanism for tourism, marketing, and capital infrastructure investment
- Analyze and plan for future costs of Community Center, McFee Park, tourism, ADA compliance, and stormwater infrastructure improvements and maintenance

High Priority Initiatives

- Develop a Hall Tax Phase-Out Impact Plan
- Expansion of tourism program to enhance economic impact to Farragut

Regional Leadership and Collaboration

The Town of Farragut cultivates relationships with regional partners to ensure it is at the forefront of innovation, process and service delivery. The Town advocates for its interests and the future of the region by participating in decision making with other governmental and non-governmental entities.

Top Priority Initiatives

- Advocate with the State Legislature to ensure future internet sales tax proceeds are remitted based on the seller's location (origin-based taxation)
- Establish a youth advisory council
- Establish a work-based learning application allowing businesses to connect with student interns

Advancing a High-Quality Built Environment

The Town ensures a high-quality built environment through deliberate formal planning and community engagement, incentivizing innovation and promoting design before engineering.

Top Priority Initiatives

- Expand opportunities to implement best practices for traffic calming and reduce vehicular speeds
- Update the Land Use Plan for the Outlet Drive and McFee Road corridors
- Update the Pedestrian & Bicycle Plan / Major Road Plan

Supporting and Caring for a Committed Workforce

The Town recognizes that excellent service delivery happens through its dedicated and committed workforce. The Town is a model employer that attracts talent and provides competitive

compensation and benefits as well as ongoing training and professional development. The Town encourages innovation and cost saving and has appropriate staffing levels to meet growth and service level expectations.

Top Priority Initiatives

- Implement ERP software in the field that will increase the efficiency of Town operations
- Perform a classification and compensation study to remain competitive for top quality personnel
- Reward our people and keep our people



Promoting a Convenient Retail and Services Destination

Farragut is known for family entertainment venues, vibrant commercial centers, neighborhood activity hubs, high building maintenance standards and collaborating with strategic partners to promote business development. Farragut's Town Center is a result of a bold vision and effective public-private partnerships.

Top Priority Initiatives

- Develop a strategy to create a unique downtown for Farragut
- Explore opportunities for development north of the interstate
- Implement a business and construction guidelines manual for new businesses in Farragut



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Strategic Plan/Goals & Objectives

Introduction to FY 2020 Goals

In 2017, the Town of Farragut's Board of Mayor and Aldermen adopted a Strategic Plan which identifies a vision, mission, and critical success factors for the Town of Farragut.

Together, the vision, mission, and critical success factors provide important guidance and direction when administrators and staff establish goals and make plans each fiscal year.

This year the Town utilized a strategic planning and performance measurement framework to identify the most important results staff will work to bring about. Each goal is accompanied by one or more performance measures which help to track the town's progress toward achieving those results. Once adequate data is gathered about current performance, a target value will be selected to accompany each goal and performance measure in order to identify when a result has been achieved.

Background on Performance Measurement

Goals describe the condition we want to observe or experience as a community. They represent the long-term intended outcome of all work, projects and initiatives on which the Town expends time, effort, and resources. Result-oriented language (in lieu of action-oriented language) is used in establishing our priorities in order to emphasize outcomes. We believe that by emphasizing outcomes we will choose projects and initiatives that most directly impact our intended results. Results are what we work to achieve.

Performance Measures describe the evidence we would observe that would convince us that the intended result is occurring. By tracking data that relates to performance measures, we are able to observe change over time and analyze whether our goals are being achieved. Performance measures help us track our progress.

Targets represents the data value we will observe in a performance measure when a result is achieved. In order to quantify progress toward an individual result, each performance measure is accompanied by a target value. In observing performance over time, it is important to understand the level of current performance before establishing a target value. Some results in the current strategic plan are new, and baseline data does not yet exist. Once baseline data is established for a given performance measure, a target value will be selected for a specific time frame. Targets make our goals measurable and our results tangible.

Human Resources Goals

Critical Success Factor: Supporting and Caring for a Committed Workforce

1. The Town has appropriate staffing levels to meet growth and service level expectations

Goal: The staff turnover rate has reduced

Performance Measure(s):

Staff Turnover Rate

Projects:

- Complete a compensation and classification study
- Recommend changes to position classifications, compensation plan, benefits as needed

Goal: The number of worker's compensation claims has reduced

Performance Measure(s):

OSHA 300/Workers Compensation Claims

Projects:

- Manage the Town's safety training program
- Apply for grants to provide staff with safety equipment

2. The Town provides competitive benefits and compensation

Goal: The number of employees participating in the Town's wellness program has increased

Performance Measure(s):

- a. Biometric Screening Participation
- b. Flu Shot Clinic Participation
- c. Wellness Program Tracking Sheet Submittals

Goal: The number of employee recognition awards has increased

Performance Measure(s):

Employee Recognition Awards

Projects:

- Complete a compensation and classification study
- Recommend changes to position classifications, compensation plan, benefits as needed
- Adopt a new performance evaluation system to be used by supervisors

3. The Town provides ongoing training and professional development

Goal: The number of hours of town-provided professional development training has increased

Performance Measure(s):

Hours of Town Provided Training

Projects:

- Develop and Implement financial literacy training for employees
- Manage and implement the town's on-going training program for mandatory regulatory training

Goal: The number of mid-year coaching sessions conducted by Department Directors has increased

Performance Measure(s):

Mid-year Coaching Sessions

Projects:

- Develop and implement training for Supervisors
- Develop and implement a reporting process for coaching sessions conducted by supervisors

Engineering Goals

Critical Success Factor: Building & Maintaining the Town's Infrastructure and Assets

1. The Town of Farragut has established a safe transportation network for pedestrians, bicycles and automobiles.

Goal: The number of lane miles of arterial and collector streets that meet the Town's multi-modal design standards has increased.

Performance Measure (s):

Built Multi-modal Facilities

Projects:

- Union Road Improvements
- Campbell Station/Snyder Road Intersection improvements
- Watt Road Pedestrian Crossing
- Grigsby Chapel Pedestrian Crossing
- Smith Rd. Sidewalk
- Virtue Rd. Improvements
- Kingston Pike/Watt Road Intersection
- Advanced Traffic Management System Signal Project Phase 2
- Virtue Road Design (FY2021)

2. The Town's stormwater system is reliable and well-maintained

Goal: Harmful microorganism concentrations in town streams has reduced.

Performance Measure(s):

E. coli Concentration

Projects:

- Manage the stormwater quality monitoring program

Goal: Aquatic Insect diversity in town streams has increased

Performance Measure(s):

Benthic Organism Diversity

Goal: The linear feet of improved stormwater pipes has increased

Performance Measure(s):

Improved Stormwater Pipe

Projects:

- Stormwater Pipe Replacement Program
- Stormwater Mapping Project
- UT Stormwater Survey

Critical Success Factor: Regional Leadership & Collaboration

3. The Town of Farragut cultivates relationships with regional partners to ensure it is at the forefront of innovation, process, and service delivery

Goal: The Engineering Department's plan review process is completed in fewer days.

Performance Measure(s):

Plan Review Process

Projects:

- Implement MyGovernment Online software
- Implement Bluebeam software
- Design and implement plan review master plan

Other Projects & Initiatives:

- Manage the Town's Traffic Calming Program

Community Development Goals

Critical Success Factor: Building and Maintaining the Town's Infrastructure and Assets

1. The Town of Farragut has established a safe transportation network for pedestrians, bicycles and automobiles

Goal: The number of gaps in the Town's pedestrian connectivity network has reduced

Performance Measure(s):

- a. Multi-Modal Gaps
- b. Planned Linear Miles of Multi-Modal Facility

Projects:

- Identify all existing gaps
- Prioritize gaps
- Update Major Road Plan
- Update Pedestrian & Bicycle Plan

Critical Success Factor: Promoting a Convenient Retail and Services Destination

2. Farragut is known for vibrant commercial centers

Goal: The proportion of available commercial tenant spaces occupied by a tenant has increased

Performance Measure(s):

Commercial Occupancy Rate

Projects:

- Map commercial uses and occupancy
- Evaluate commercial districts according to revenue type
- Develop a process to encourage redevelopment of aging commercial centres and re-occupancy of vacant spaces
- Develop and implement a business and construction guidelines and best practices manual for new businesses in Farragut

Critical Success Factor: Advancing a High-Quality Built Environment

3. The Town ensures a high-quality built environment through deliberate formal planning

Goal: Projects approved by the Planning Commission have fewer conditions

Performance Measure(s):

Average Conditions Per Project

Goal: The percentage of projects with a pre-project meeting has increased

Performance Measure(s):

Pre-project Meeting Rate

Goal: The percentage of Fire/Building Code inspections that pass has increased

Performance Measure(s):

Fire/Building Inspection Success Rate

Goal: The number of business days to complete plan review has reduced

Performance Measure(s):

Plan Review Cycle

Goal: The Community Development Department/Town's Satisfaction Rating has increased

Performance Measure(s):

Development Satisfaction Rating

Goal: Solution Center projects are addressed in fewer business days

Performance Measure(s):

Solution Center Time to First Response

Projects:

- Propose policy to Planning Commission to limit the number of conditions
- Update application materials and online information to clearly communicate plan submittal expectations
- Update online plan submittal workflow to require pre-project meeting with staff
- Implement requirement for Pre-project meeting with staff
- Determine best practices preparing for an inspection.
- Offer training to members of the development community
- Implement survey for projects completed in MGO
- Implement pre-project meetings
- Hold post-project meetings to gather additional feedback
- Design and implement a plan review master plan
- Periodically evaluate the workflow process and make adjustments as needed.

4. The Town ensures a high-quality built environment through community engagement

Goal: The number of hours of training provided by the Town to the development community has increased.

Performance Measure(s):

Town-provided Training

Projects:

- Develop and implement a training program for members of the development community.

Other Projects & Initiatives:

- Continue to implement elements of the CLUP (develop visioning objectives for priority areas)
- Promote and enhance the marketability of aging subdivisions
- Update different planning related documents (sign ordinance, telecommunications, subdivision regulations)

Parks & Recreation Goals

Critical Success Factor: Providing Excellent parks, recreation, cultural amenities and programs.

1. The Town provides events, programs and cultural activities that support tourism.

Goal: The number of engagements on the Town's Visit Farragut social media sites has increased.

Performance measure(s):

- a. Visit Farragut Facebook engagements
- b. Visit Farragut Instagram engagements
- c. Visit Farragut YouTube engagements

Projects:

- Work with consultant on defining and refining definition of Farragut visitors
- Create Visit Farragut only social media platforms
- Prioritize obtaining video of events and facilities
- Engage in ad and boost campaigns and prioritize responses to social media
- Prioritize marketing of the Farragut Museum with an emphasis on Admiral Farragut Collection
- Coordinate a Visit Farragut tourism plan and begin implementation

2. The Town provides events, programs and cultural activities that enhance a sense of community.

Goal: The number engagements on the Town's social media sites has increased

Performance measure(s):

- a. Town Facebook engagements
- b. Town Instagram engagements
- c. Town Twitter engagements

Projects:

- Prioritize obtaining video of events, facilities, classes, programs, meetings, etc.
- Create 2020 Annual Report website
- Continue to create media releases, advisories, articles and e-newsletters
- Create parks & recreation website

Goal: Fee producing indoor facilities are rented more hours

Performance measures:

- a. Ballroom rental hours
- b. Classroom rental hours
- c. Gym rental hours

Projects:

- Recommend and implement a rental facility rate schedule
- Create a 360-degree tour of community center rental space for website
- Establish guidelines/regulations for community center rentals
- Research marketing opportunities for community center rentals and implement within budget

Goal: Attendance at town-sponsored programs, special events and classes has increased.

Performance measure(s):

- a. Program attendance
- b. Special event attendance
- c. Class attendance
- d. Athletics attendance

Projects:

- Coordinate major, minor and cooperative special events and prioritize partnerships for additional special events
- Create new program, class and athletic offerings for community center without duplicating local for-profit or non-profit efforts
- Evaluate current special events, programs and classes using a program assessment tool
- Coordinate anniversary events (3)
- Create operating manuals and best practices for the community center
- Expand opportunities for volunteers
- Expand Museum special events

3. Farragut's expanded parks allow for a variety of experiences for visitors and residents.

Goal: Fee producing park facilities are rented for a higher percentage of their available time blocks.

Performance measure(s):

- a. Athletic field occupancy rate
- b. Pavilion occupancy rate

Projects:

- Complete renovation of Anchor Park
- Revamp policies for special event rentals at Founders Park
- Complete Parks and Recreation Master Plan update
- Dissolve adult softball league in favor of rental opportunities
- Complete construction documents and bid process for McFee Park Phase 3

Other Projects & Initiatives:

- Coordinate production of Town of Farragut history film
- Assist in coordination of construction of Campbell Station Inn Phase 3
- Assist in planning of additional greenway links
- Coordinate additional revenue producing programs: Adopt a Bench, Plant a Tree, Friends of the Museum
- Coordinate, with Knox County and City of Knoxville, a joint online park and greenway map
- Provide training for staff (16 hours for assistant level and 40 hours for professional level) and pursue CPRP certification
- Create parks & recreation website

Public Works Goals

Critical Success Factor: Building and Maintaining the Town's Infrastructure and Assets

1. The Town's investment in technology, parks and buildings is cared for through proper maintenance and improvements.

Goal: The number of business days required to complete the ROW mowing cycle has reduced.

Performance Measure(s):

Right-of-way Mowing Cycle

Projects:

- Modify ROW mowing log to show start and end date of cycle.

Goal: The number of business days required to complete the park maintenance cycle has reduced.

Performance Measure(s):

Parks Maintenance Cycle

Projects:

- Modify Parks Maintenance log to reflect start and end date of cycle.

Goal: The total cost for vehicle maintenance has reduced.

Performance Measure(s):

Vehicle Maintenance Cost

Projects:

- Design tracking mechanism to separate in-house repair costs from outsourced repairs.
- Document the scheduling and tracking process in field manual.

Goal: The number of calendar days required to complete park safety repairs has reduced.

Performance Measure(s):

Park Safety Repairs.

Other Projects & Initiatives:

- Develop and Draft a Public Works field manual
- Develop and document a training program for new and continuing employees
- Conduct monthly safety and customer service training with employees
- Continue implementing the Town's Reflectivity Sign Replacement Program
- To help increase visual appeal and create theme areas, add trees and shrubs to certain informal areas of greenways and trails
 - Daffodils at Campbell Station Road
 - Daylilies at Outdoor Classroom and I-40/Campbell Station Road interchange
- Prepare bid specifications for a wood-chipper, three pick-up trucks, and all-terrain utility vehicle as part of the Capital Equipment Replacement Program
- Enhance the Christmas Tree Lighting experience
- Improve town facilities to comply with ADA regulations
- Assist with modifications and improvement plans to the Campbell Station Inn and develop a maintenance plan for the site and restroom facility
- Assist with renovation work at Anchor Park for the new restroom facility
- Evaluate and compare vendor pricing for cleaning supplies, and identify opportunities for savings

- Seek out and identify possible sidewalk and greenway connections to enhance the town's pedestrian network and walkability
- Reconstruct sand and stone holding facilities at Public Works Headquarters
- Develop and implement a cleaning and maintenance program for Farragut Community Center
- Install finish on bathroom floors at Mayor Bob Leonard Park
- Prepare bid specifications for Campbell Station Road Wall manage the project to completion
- Assist with replacement and improvements to town stormwater infrastructure
- Install sidewalk on Sugarwood Drive

General Fund

	FY2016-17	FY2017-18	FY2018-19	FY2018-19	FY2019-20
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
BEGINNING FUND BALANCE	11,537,364	14,374,850	16,999,177	16,999,177	19,330,170
	FY2016-17	FY2017-18	FY2018-19	FY2018-19	FY2019-20
REVENUE	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
Local Sales Tax	6,082,516	6,774,339	6,180,000	6,600,484	6,365,400
State Sales Tax	1,865,295	1,925,266	1,800,000	1,936,342	1,900,000
Hall Income Tax	1,143,490	1,091,836	400,000	955,913	400,000
Wholesale Beer, Liquor & Mixed Drink	1,408,064	1,384,611	1,165,000	1,257,122	1,150,000
Intergovernmental	699,002	703,310	651,400	713,524	650,000
Building Permits & Licenses	504,748	675,150	354,700	551,355	367,200
Recreation Fees	182,629	216,874	162,500	192,400	209,500
Traffic Enforcement Program & Fines	77,912	62,881	50,200	115,849	50,200
Rent	67,316	121,820	91,720	64,458	155,972
Miscellaneous	86,869	217,201	63,800	267,680	103,800
Total Revenue	12,117,841	13,173,288	10,919,320	12,655,127	11,352,072
	FY2016-17	FY2017-18	FY2018-19	FY2018-19	FY2019-20
EXPENDITURES	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
Legislative	58,413	43,269	55,700	46,151	57,450
Town Court	53,046	57,426	67,614	48,545	54,570
Administration	677,138	627,964	697,050	680,680	719,591
Human Resources	176,452	301,861	201,062	195,348	225,885
Information Technology	299,996	323,646	469,258	373,169	453,374
Engineering	613,348	618,771	733,070	683,120	681,702
Community Development	699,429	745,349	913,098	823,420	955,507
General Government	165,185	159,816	202,850	187,716	279,850
Parks & Recreation	963,880	1,018,879	1,154,512	1,112,759	1,179,891
Public Works	1,656,697	1,730,895	1,902,037	1,807,677	1,931,960
Non-Departmental	458,560	417,285	481,500	411,799	457,400
Community Center	0	0	0	72,000	312,008
Economic Development	109,958	153,800	134,000	131,750	127,000
Total Expenditures	5,932,102	6,198,961	7,011,751	6,574,134	7,436,187

	FY2016-17	FY2017-18	FY2018-19	FY2018-19	FY2019-20
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
Revenue over (under) expenditures	6,185,739	6,974,327	3,907,569	6,080,993	3,915,885
Total Transfers In	0	0	0	0	0
Total transfers out	-3,348,253	-4,350,000	-3,750,000	-3,750,000	-7,575,000
Assigned Fund Balance	104,817	0	0	0	0
Unassigned Fund Balance	14,270,033	16,999,177	17,156,746	19,330,170	15,671,055
ENDING BALANCE	14,374,850	16,999,177	17,156,746	19,330,170	15,671,055
30% of Expenditure	1,779,631	1,859,688	2,103,525	1,972,240	2,230,856
AVAILABLE FUND BALANCE	12,490,402	15,139,489	15,053,221	17,357,930	13,440,199

		FY2016-17	FY2017-18	FY2018-19	FY2018-19	FY2019-20
	REVENUES DESCRIPTION	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
31610	Local Sales Tax	6,082,516	6,774,339	6,180,000	6,600,484	6,365,400
31630	Knox County Office Leases	13,650	14,250	14,100	14,850	15,600
31631	Museum Revenue	0	5,397	0	0	0
31632	Gift Shop Revenue	0	3,666	0	0	0
31633	Solar Panel Rebate	1,943	1,793	1,000	1,300	1,000
31710	Wholesale Beer Tax	593,344	586,323	560,000	554,122	540,000
31720	Wholesale Liquor Tax	589,460	542,298	475,000	452,000	440,000
31912	Cable TV Franchise Tax	384,840	389,908	350,000	390,000	350,000
31980	Mixed Drink Tax	225,260	255,990	130,000	251,000	170,000
32210	Alcoholic Beverage License	19,430	20,830	13,000	19,130	13,000
32300	Business License	914	1,019	200	555	200
32610	Building Permits	406,298	525,358	300,000	465,315	310,000
32620	Fire Prevention Fees	2,883	7,588	4,000	8,529	5,000
32630	Special Events Permit	3,350	2,280	800	1,800	800
32650	Plans Review Fees	41,994	82,759	20,000	34,146	25,000
32660	Zoning/Sign Permits	18,125	16,275	10,000	19,850	12,500
32690	Drainage/Street Cuts	5,904	14,671	500	2,930	500
32700	Contractor License Fees	3,200	3,400	1,000	900	1,000
33200	Grant Receivable	29,450	1,150	0	2,680	0
33510	State Sales Tax	1,865,295	1,925,266	1,800,000	1,936,342	1,900,000
33511	Telecommunication Sales Tax	1,871	0	1,400	0	0
33520	State (Hall) Income Tax	1,143,490	1,091,836	400,000	955,913	400,000
33530	State Beer Tax	10,949	10,579	10,000	10,500	10,000
33553	State Gas Tax	45,490	45,689	40,000	45,024	40,000
33591	TVA Gross Receipts	255,852	257,134	250,000	268,000	250,000
34740	Recreation Fees-Class Reg	14,722	9,277	1,000	3,000	1,000
34742	Recreation Fees-Softball	17,245	10,883	15,000	9,000	9,000
34744	Recreation Fees-Volleyball	11,670	8,375	9,000	8,000	8,000
	Recreation Fees-Picnic					
34745	Shelters	29,700	30,145	25,000	25,000	25,000
	Recreation Fees-Community					
34746	Room	2,120	1,610	1,000	1,000	0
34747	Field Usage Fees	100,322	149,734	110,000	140,000	140,000
34748	Plant a Tree Program	3,350	2,750	1,000	1,400	1,000
34749	Adopt a Bench Program	3,500	4,100	500	5,000	500
34793	Community Center	0	0	0	0	25,000
35100	City Court Fines	1,263	799	200	1,849	200
35200	Stormwater Fees	0	3,250	0	0	0
35500	Miscellaneous	9,025	62,595	2,000	11,900	2,000
35501	Traffic Enforcement Program	76,649	62,082	50,000	114,000	50,000
35502	Telecommunications Fee	6,000	0	6,000	0	0

36190	Interest Earnings	43,101	140,320	60,000	250,000	100,000
	Rent-Crown Castle Fretz					
36220	#813278	15,698	54,307	16,152	18,900	16,872
36230	Rent-Crown Castle #802902	27,468	27,468	27,468	30,222	31,500
	Rent-Crown Castle Virtue					
36240	#877904 Little Turkey	21,264	22,209	34,000	22,000	22,000
36250	Rent-Dog Days	10,500	0	0	0	0
36260	Knox County Shared Cost	0	0	0	0	70,000
36330	Sale of Equipment	0	3,586	0	486	0
Totals		12,139,105	13,173,288	10,919,320	12,655,127	11,352,072

Revenue Descriptions

Local Option Sales Tax

The current rate is 1.125% of total sales. Of the 1.125%, fifty percent goes to the Knox County schools. The county remits the remainder to the Town on a monthly basis.

Knox County office Lease

Knox Co Clerk-5-year contract beginning October 2015; FY2016 \$1,100/month; FY2017 \$1,150/month; FY2018 \$1,200/month; FY2019 \$1,250; FY2020 \$1,300/month

Local Wholesale Beer Tax

State authorized tax on wholesale sales of beer. Wholesale beer deliveries to retail outlets in a city or county are taxed at flat rate of \$35.60 per barrel sold. The tax is paid by each beer wholesaler directly to the city or county, and monthly reports on such sales are made to the state Department of Revenue and to each city and county. Of this tax, a wholesaler must remit \$.17 to the state for administration and retain \$.92 to defray the cost of collecting and remitting the tax. A city should check that tax payments are being received from beer wholesalers serving the area based on deliveries to all retail beer outlets in the city. If there is doubt about administration of the tax, an investigation by the Department of Revenue may be requested.

Local Wholesale Liquor Tax

Depending on the size of the municipality's county, the municipality levies by ordinance five percent or eight percent inspection fee that is collected by the wholesalers from the retailer, within the town limits, during distribution. The wholesaler then retains five percent of the fee for performing the collection. The fee is five percent for the town since Knox County is greater than 60,000 in population.

Cable TV Franchise Fee

Cable franchise fee levied by the municipality. Procedure and right to levy may be affected by federal law (Cable Communications Act of 1984). The Town's current fee is five percent.

Mixed Drink Tax

In addition to a state privilege tax, the state levies a 15 percent gross receipts tax on all alcoholic beverages sold for consumption on the premises. T.C.A. § 57-4-301(c). The tax is earmarked for education and local government. Distributions to cities and counties depend on several factors, including which local governments operate their own school systems. T.C.A. § 57-4-306.

Alcoholic Beverage Licenses

The Town levies license fees upon each person, firm, corporation, and general or limited partnership which is authorized to engage in the manufacture, distribution or sale at wholesale or retail, of alcoholic beverages within the Town. In addition, there is a \$100 privilege tax imposed by the Town on any business selling beer within the corporate limits of the Town. A privilege tax is also imposed on businesses selling wine and spirits at retail in the Town for on-premise consumption.

Building Permits

Revenue received from the issuance of building permits. The Town is authorized and empowered to enact laws or ordinances to safeguard and protect the homeowner or prospective homeowner, commercial property owner or assembly building property owner by requiring the licensing of the residential, commercial or assembly builders and contractors. Based on estimated cost of construction.

Fire Prevention Permits

Review of sprinkler system, alarm system, hood suppression system, fire pumps and related equipment, other suppression systems, private fire hydrants and underground fire services mains and standpipe systems. The sprinkler and alarm permits are \$0.02 per sq. ft. (\$100 minimum) and all remaining permits are \$50 per permit.

Plans Review Fee

Fee is one half of the calculated Building Permit Fee, which is to be paid at the time of plan submittal. One- and Two-family Dwellings are exempt.

Zoning, Sign Permit

Zoning Amendment Fees are collected when an application is submitted to amend the written text or zoning map of the Farragut Zoning Ordinance. Municipal Code Amended Fees are collected when an application is submitted to amend the written text of the Farragut Municipal Code. Sign Fees will be collected when an application is submitted for the erection of a sign.

Drainage Permits, Street Cuts

Drainage fee for new subdivision developments of \$30 per lot and \$0.02 per square foot of impervious area for new commercial developments.

Contractor License Fee

Plumbing/Mechanical licensing program

State Sales Tax

The state sales and use tax is 7 percent (except for food, on which the rate is 4 percent), plus an additional 2.75 percent on the portion of the purchase price of single articles subject to local sales taxes from \$1,600.01 through \$3,200. The 0.5 percent increase adopted in 1992 is earmarked for K-12 education. The 2002 increase from 6 percent to 7 percent on non-food items accrues to the state general fund. Cities receive 4.6030 percent of the remaining 5.5 percent state tax after deductions, including funds to support MTAS. A city's share is calculated by computing the city population as a portion of all city residents in the state. T.C.A. § 67-6-103.

Telecommunication Sales Tax

Shared tax on phone services

Hall Income Tax/State Income Tax

State taxes levied on the earnings of stock dividends and interest on bonds earned by individuals, partnerships, associations, trusts and corporations.

Earnings are taxed at 6 percent with 37.5 percent of the earnings going to the municipality in which the taxpayer resides. Recent legislation reduced the tax rate from 6% to 5% for tax years beginning January 1, 2016. It also provides that it is the legislative intent that the tax be reduced by 1% each year through enactments of legislation until the tax is eliminated in January 2022.

State Beer Tax

The state levies a \$4.29 per barrel tax on the manufacture, sale, and transportation of beer. T.C.A. § 57-5-201. Cities are allocated 10.05 percent of this money on a per capita basis without regard to legal beer sales in the community. Another 10.05 percent of the revenue is allocated to counties. T.C.A. § 57-5-205. Payments are received by the Town on a semi-annual basis.

State Gasoline Inspection Fee

This represents what is referred to as the Special Privilege Tax or the Petroleum Special Products Tax/Gas Inspection Fee and the export Tax. The Special Privilege Tax establishes a local government fund created by a tax of one cent per gallon on all petroleum products. The export tax is a tax of one-twentieth of a cent per gallon of petroleum product that is stored in Tennessee and then exported. If the special privilege tax has already been paid, then nineteen-twentieths of the Special Privilege Tax can be credited on the Export Tax return. The local share is distributed to municipalities monthly based on population.

TVA-Gross Receipts

The Tennessee Valley Authority (TVA) pays 5 percent of gross power sales proceeds to the state in lieu of taxes. Counties and cities are allocated 48.5 percent of the increase in TVA payments made to the state above the amount received in the base year (fiscal year 1978). Counties receive 70 percent of this allocation, and cities receive 30 percent. Distribution to the city is based on population.

Recreation Fees-Class Registration

Income from all classes (arts, crafts, adult learning and Day Camps). Income from this fee is highly subjective to use of the community room (where the majority of our programs are held) by outside sources such as Knox County for early voting.

Recreation-Softball

Income from 2 Leagues (Men and Coed) in 2 seasons (spring and fall)

Recreation- Volleyball

Income from 3 leagues (Rec, Intermediate and Competitive) in 2 seasons (spring & Summer)

Recreation-Picnic Shelters

Shelters at three parks.

Recreation-Community Room Rental Fee

Rental income from community room rentals to non-profit groups. Income from this fee is highly subjective to use of the community room (where the majority of our programs are held) by outside sources such as Knox County for early voting.

Recreation-Field Usage Fee

Usage fees for fields at Mayor Bob Leonard, Anchor and McFee Park. Income from this fee is highly subjective to the weather.

Plant-a-Tree Program

Program for tree donations.

Adopt a Bench

Program for bench donations

City Court Revenue

Court cost fees.

Miscellaneous Revenue

Copying fees, recorders request fees, mailing reimbursements.

Traffic Enforcement Program

Proceeds from traffic violations.

Interest Earnings

Interest earnings on moneys in the Town's TN Bank checking account.

Rent-Crown Castle

Lease with Crown Communications, Public Works site, commenced May 7, 2006 for a 5-year period and renewed for 5 additional years March 2011 and May 2016. One additional 5-year extension is available. The annual lease is \$21,264.

Rent-Crown Communications #813278

The lease, 731 Fretz Rd, was modified on June 11, 2015 and expires December 19, 2020. The lease calls for annual payments of 15,000 with an adjustment equal to 3% of the annual rent on each December 19th. The lease can be renewed for one ten (10) year period on December 19, 2020. Annual lease payments at that date increase to \$30,000 and are adjusted by 3% of the annual rental on each December 19th. The lease currently calls for monthly payments of \$1,326.

Rent- Crown Communications #802902

Crown Communications lease, 521 Virtue Road. The contract extension was executed May 2013. One (1) additional 5-year extension is available. Monthly payments are \$2,859 for the remaining term of the lease.

Legislative Department

The Board of Mayor and Aldermen, which consists of a mayor and four aldermen, serves as the governing body. The mayor is elected at-large and two aldermen are elected from each of two wards for a four-year term. Beginning in 2014, elected officials may serve no more than three terms total and no more than two terms in either office (mayor or alderman).

Ward I consist of residents on the north side of Kingston Pike while Ward II consists of residents on the south side of Kingston Pike. The Board of Mayor and Aldermen elects an alderman to the office of the vice mayor. The vice mayor serves as mayor when the mayor is absent, or there is a vacancy in the office of the mayor, until the next regular municipal election.

Eligibility

To be eligible to hold the office of mayor, a person must reside within the Town of Farragut for at least one year preceding the election. To be eligible for the office of alderman, a person must reside within the desired ward for at least one year preceding the election.

Responsibilities

The Board of Mayor and Aldermen adopts Town ordinances and policies, approves comprehensive planning and zoning requirements, approves annual budgets, approves Town contracts, and reviews capital improvement projects. The board is also responsible for the appointment of citizen committees, Town Administrator, Town Attorney, and Municipal Judge.

Legislative Department

		FY2016-17	FY2017-18	FY2018-19	FY2018-19	FY2019-20
	LEGISLATIVE DESCRIPTION	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
41100	EXPENDITURES					
221	Printing	261	278	200	250	250
230	Legal Notices	11,668	6,309	6,300	9,186	8,000
235	Dues/Subscriptions	11,338	8,349	9,750	9,750	9,750
280	Travel/Training	28,681	23,052	32,250	20,000	32,250
289	Local Travel	160	73	400	290	400
300	Supplies	142	138	300	175	300
323	Meeting Expenses	1,955	1,020	2,000	2,000	2,000
328	Education Program	4,208	4,050	4,500	4,500	4,500
	Totals	58,413	43,269	55,700	46,151	57,450

Legislative 110-41100

221 Printing	\$250
Business Cards (5)	
230 Legal Notices	\$8,000
Publications in the local newspaper for Public Hearings and other notices	
235 Dues, Subscriptions	\$9,750
Town membership for TML	5,800
Town membership for NLC	1,900
East Tennessee Development District	2,000
National League of Cities, Women in Municipal Government	50
280 Travel, Training	\$32,250
TML Legislative Conference (5)	2,300
TML Annual Conference (5)	7,200
NLC Annual Conference (5)	14,000
NLC Committee Conferences (5)	6,250
ICSC Conference	2,500
289 Local Travel	\$400
300 Supplies	\$300
323 Food for Meetings	\$2,000
Food for workshops and retreats, committee appointment reception	
328 Education Program	\$4,500
Introduction to Farragut Program	

Town Court Department

Municipal court is held at the town hall by the Municipal Judge. Municipal court is in session not less than one (1) day per month as may be determined by the Municipal Judge and may be in session more frequently if needed. The office of Municipal Judge is filled by a resolution of appointment by the Board of Mayor and Aldermen. Any person appointed to the office of Municipal Judge shall hold a baccalaureate degree from an accredited college or university, shall be at least thirty (30) years of age, and have been a resident of the town for a period of one (1) year preceding election to office.

The Town of Farragut's Traffic Enforcement Program was established in 2009 and four intersections were selected due to the high traffic volume and number of red-light violations. A part-time officer manages the enforcement program.

Traffic enforcement is active at the following intersections:

- Kingston Pike eastbound at Concord Road and Concord Road northbound at Kingston Pike
- Kingston Pike eastbound at Campbell Station Road and Campbell Station Road southbound at Kingston Park
- Kingston Pike westbound at Smith Road and Smith Road southbound at Kingston Pike
- Campbell Station Road northbound and southbound at Parkside Drive / Grigsby Chapel Road

Town Court Department

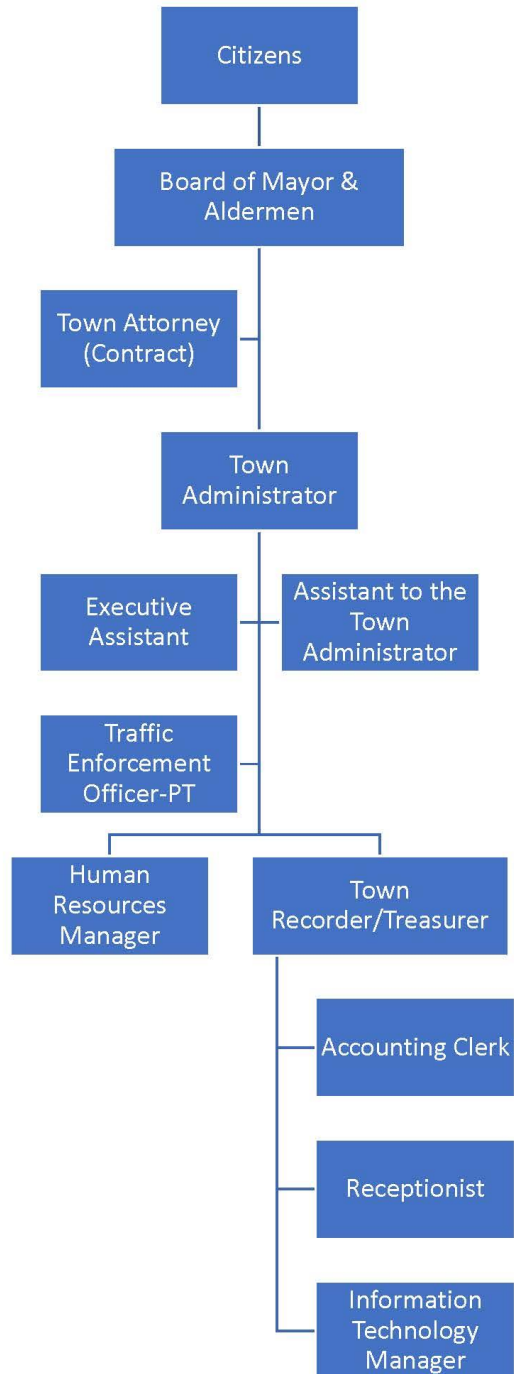
		FY2016-17	FY2017-18	FY2018-19	FY2018-19	FY2019-20
	TOWN COURT DESCRIPTION	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
41210	EXPENDITURES					
110	Salaries	700	600	2,400	800	2,400
111	Regular Employee Wages	1,562	1,550	5,000	2,000	5,000
119	Traffic Enforcement Program	46,981	50,278	52,510	40,060	41,600
141	Social Security & Medicare Tax	3,778	4,037	4,399	3,680	3,565
146	Workers Comp Insurance	0	0	1,805	1,805	1,805
	Total Personnel	53,021	56,465	66,114	48,345	54,370
235	Dues & Subscriptions	25	961	1,000	100	100
300	Supplies	0	0	500	100	100
	Total Operating Expenditures	25	961	1,500	200	200
	Total Court Expenditures	53,046	57,426	67,614	48,545	54,570

Acct Code	Description		<u>Budget</u> FY2017-18		<u>Estimated</u> FY2018-19		<u>Approved</u> FY2019-20
110	Salaries						
	Municipal Judge	1.0	2,400	1.0	800	1.0	2,400
	Total Salaries	1.0	2,400	1.0	800	1.0	2,400
121	Regular Wages						
	Court Officer	1.0	5,000	1.0	2,000	1.0	5,000
	Traffic Enforcement Program	1.0	51,480	1.0	40,060	1.0	41,600
	Total Regular Wages	2.0	56,480	2.0	42,060	2.0	46,600
	Benefits						
	Social Security & Medicare						
141	Tax		4,321		3,680		3,565
146	Workers Comp Insurance		1,805		1,805		1,805
	Total Benefits		6,126		5,485		5,370
152	Merit Adjustment		1,108		0		0
Total Personnel		3.0	66,114	3.0	48,345	3.0	54,370

Town Court 110-41210

235 Dues & Subscriptions	\$100
300 Supplies	\$100

Administration Department



Administration Department

The Town Administrator is appointed by the Board of Mayor and Aldermen as the Chief Administrative Officer and is responsible for the supervision and coordination of all Town services and projects. This includes the preparation of annual budgets, financial management of Town revenues and expenditures, recommendations and updates to the board on Town services and projects, implementation of board policies, and enforcement of Town ordinances.

The Administration Department is responsible for serving as staff support for the Board of Mayor and Aldermen and the Knox County Schools Education Relations Committee. Services provided by the department include:

- Budget Administration and Financial Management - The fiscal year cycle is July 1 through June 30.
- E-Government – The Town currently provides many services electronically through the website.
- Citizen Request Program - The Town offers Farragut citizens a unique program that encourages suggestions or requests about all Town services, from streets to parks. Citizen requests can be made online through the Town's website 24 hours/day, by phone or in person between 8 a.m. and 5 p.m.
- Personnel - Openings are filled as needed and are often advertised in the Sunday employment section of the *Knoxville News Sentinel* and on the Town's website.
- Town Ordinances – The *Farragut Municipal Code* is updated annually and can be accessed and downloaded through the Town's website.
- Alcoholic Beverages Retailer's License – A license is required for the sale of beer and/or liquor in the State of Tennessee and within the Town limits.
- Public Records - All public records are stored, maintained and distributed in accordance with state law. Public records requests can be made by submitting a request using the forms provided on the Town's website.

Administration Department

		FY2016-17	FY2017-18	FY2018-19	FY2018-19	FY2019-20
ADMINISTRATION DESCRIPTION		<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
41340						
110	Salaries	327,410	255,972	285,472	276,934	289,091
111	Regular Employee Wages	112,355	123,586	118,643	118,643	123,427
123	Overtime Wages	5,614	5,682	5,500	5,800	5,800
129	Temporary Employee Wages	488	2,170	10,000	2,000	5,000
141	FICA Tax	18,904	19,425	19,685	19,685	20,368
142	Health Insurance	72,796	63,557	86,639	86,566	91,405
143	Retirement	45,395	37,049	35,343	35,204	35,201
145	Life Insurance	1,932	1,739	1,983	2,050	2,035
146	Workers Comp Insurance	1,873	1,500	1,900	2,400	2,000
148	Long Term Disability Insurance	1,914	2,305	2,065	1,800	1,788
150	Benefit Disbursement	1,500	1,500	3,200	2,848	3,200
152	Merit Adjustment	9,939	15,234	18,350	18,350	18,706
	Total Personnel	600,120	529,719	588,780	572,280	598,021
221	Advertising/Printing	6,638	2,706	8,200	6,200	8,200
235	Dues/Subscriptions	7,546	4,925	6,520	6,500	6,520
253	Auditing Services	13,900	14,350	15,000	14,850	15,000
254	Professional Services	12,965	35,983	40,000	40,000	40,000
256	Census	0	0	0	0	10,000
280	Travel, Training	14,181	19,669	19,070	19,000	19,070
282	Auto Allowance	6,951	4,500	3,600	3,600	3,600
289	Local Travel	443	407	480	400	480
300	Office Supplies	1,862	467	2,300	1,800	2,300
311	Books and Education Material	706	1,027	2,000	1,600	2,000
326	Clothing & Uniforms	18	248	500	400	500
514	Surety Bonds	1,421	1,269	1,600	1,400	1,600
555	Bank Service Charge	1,977	2,484	1,000	1,400	300
557	Credit Card Process Fee	8,410	10,210	8,000	11,250	12,000
	Total Operating Expenditures	77,018	98,245	108,270	108,400	121,570
	Total Administration Expenditures	677,138	627,964	697,050	680,680	719,591

Administration Department

Personnel Detail

Acct Code	Description		<u>Budget</u> FY2017-18		<u>Estimated</u> FY2018-19		<u>Approved</u> FY2019-20
110	Salaries						
	Town Administrator	1.0	130,402	1.0	133,010	1.0	138,330
	Assistant to Town Administrator	1.0	112,484	1.0	48,462	1.0	54,600
	Town Recorder	1.0	86,805	1.0	92,462	1.0	96,161
	Total Salaries	3.0	329,691	3.0	273,934	3.0	289,091
121	Regular Wages						
	Administrative Assistant	3.0	113,365	3.0	118,643	3.0	123,427
	Total	3.0	113,365	3.0	118,643	3.0	123,427
	Benefits						
141	Medicare Tax		19,864		19,685		20,368
142	Health Insurance		83,827		86,566		91,405
143	Retirement		45,298		35,204		35,201
145	Life Insurance		1,885		2,050		2,035
146	Workers Comp Insurance		1,875		2,400		2,000
148	Long Term Disability Insurance		1,837		1,800		1,788
151	COLA		10,156		0		0
	Total Benefits		164,742		147,705		152,797
152	Merit Adjustment		15,234		18,350		18,706
	Other Compensation						
	Benefit Adjustment		3,200		2,848		3,200
123	Overtime		5,500		5,800		5,800
129	Temporary Employee Wages		16,500		5,000		5,000
	Total Other Compensation		25,200		13,648		14,000
Total Personnel		6.0	648,232	6.0	572,280	6.0	598,021

Administration 110-41340

221 Printing		\$8,200
Business Cards	200	
Budget/CAFR	3,000	
Advertising	5,000	
235 Dues/Subscriptions		\$6,520
International City Managers Association (2)	1,800	
Tennessee Government Finance Officers Association	25	
International Institute of Municipal Clerks	345	
American Planning Association & AICP	525	
TN Association of Municipal Clerks & Records (2)	140	
Government Finance Officers Association (2)	380	
Costco	70	
ASCAP (Music License)	665	
TN City Managers Association (2)	600	
Government Finance Officers Association-CAFR	470	
Survey Monkey	200	
ICSC Dues (5)	300	
Rotary	1,000	
253 Auditing Services		\$15,000
Audit Contract		
254 Professional Services		\$40,000
Strategic Planning	15,000	
Legislative Consultant	25,000	
256 Census		\$10,000
280 Travel/Training		\$19,070
ICMA	2,500	
TN Municipal League Conference (Annual & Legislative)	2,420	
International Institute of Municipal Clerks	2,200	
Certified Municipal Finance Officer Program Training	1,800	
TN Association of Municipal Clerks & Records (2)	3,500	
Kramer Rayson Legal Issues Seminar	150	
National League of Cities	2,000	
ICSC Conference	2,500	
TCMA	2,000	
282 Employee Automobile Allowance		\$3,600
Town Administrator automobile allowance.		

289 Local Travel		\$480
Mileage for local travel		
300 Supplies		\$2,300
Supplies for committees		
311 Books/Educational Materials		\$2,000
Miscellaneous books, TCA publications	1,000	
Public Education and Outreach	1,000	
326 Clothing & Uniforms		\$500
514 Surety Bonds		\$1,600
Town Administrator and Recorder bonds; notary fees		
555 Bank Services Charges		\$300
Safe deposit boxes (5); check printing; bank admin fees		
557 Credit Card Processing Fee		\$12,000

Critical Success Factor: Supporting and Caring for a Committed Workforce

1. The Town has appropriate staffing levels to meet growth and service level expectations

Goal: The staff turnover rate has reduced

Performance Measure(s):

Staff Turnover Rate

Projects:

- Complete a compensation and classification study
- Recommend changes to position classifications, compensation plan, benefits as needed

Goal: The number of worker's compensation claims has reduced

Performance Measure(s):

OSHA 300/Workers Compensation Claims

Projects:

- Manage the Town's safety training program
- Apply for grants to provide staff with safety equipment

2. The Town provides competitive benefits and compensation

Goal: The number of employees participating in the Town's wellness program has increased

Performance Measure(s):

- a. Biometric Screening Participation
- b. Flu Shot Clinic Participation
- c. Wellness Program Tracking Sheet Submittals

Goal: The number of employee recognition awards has increased

Performance Measure(s):

Employee Recognition Awards

Projects:

- Complete a compensation and classification study
- Recommend changes to position classifications, compensation plan, benefits as needed
- Adopt a new performance evaluation system to be used by supervisors

3. The Town provides ongoing training and professional development

Goal: The number of hours of town-provided professional development training has increased

Performance Measure(s):

Hours of Town Provided Training

Projects:

- Develop and Implement financial literacy training for employees
- Manage and implement the town's on-going training program for mandatory regulatory training

Goal: The number of mid-year coaching sessions conducted by Department Directors has increased

Performance Measure(s):

Mid-year Coaching Sessions

Projects:

- Develop and implement training for Supervisors
- Develop and implement a reporting process for coaching sessions conducted by supervisors

Human Resources

		FY2016-17	FY2017-18	FY2018-19	FY2018-19	FY2019-20
	HUMAN RESOURCES DESCRIPTION	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
41990	EXPENDITURES					
110	Salaries	71,326	76,340	82,480	81,959	85,779
141	Medicare Tax	6,191	6,976	6,310	6,500	6,562
142	Health Insurance	5,518	3,374	7,121	7,068	7,482
143	Retirement	4,409	4,737	6,598	6,838	6,862
145	Life Insurance	336	280	323	427	428
146	Workers Comp Insurance	348	348	350	425	425
148	Long Term Disability Insurance	334	322	363	363	363
152	Merit Adjustment	2,156	2,612	3,815	3,815	3,968
	Total Personnel	90,618	94,989	107,360	107,395	111,870
133	Employee Recognition	18,548	18,709	18,550	18,400	19,050
134	HRA Benefit	31,952	10,924	20,000	15,000	20,000
214	Employee Services	2,034	2,861	2,087	2,500	2,500
221	Advertising/Printing	5,305	8,292	8,000	8,000	8,000
235	Dues & Subscriptions	418	529	565	553	565
254	Professional Services	20,170	160,252	38,000	38,000	55,900
280	Travel, Training	2,987	2,912	4,000	3,500	5,500
283	Wellness & Employee Training	4,420	2,393	2,500	2,000	2,500
	Total Operating Expenditures	85,834	206,872	93,702	87,953	114,015
	Total Human Resources	176,452	301,861	201,062	195,348	225,885

Human Resources

Personnel Detail

Acct Code	Description		<u>Budget</u> <u>FY2017-18</u>		<u>Estimated</u> <u>FY2018-19</u>		<u>Approved</u> <u>FY2019-20</u>
110	Salaries						
	Human Resource Manager	1.0	76,623	1.0	81,959	1.0	85,779
	Total Salaries	1.0	76,623	1.0	81,959	1.0	85,779
	Benefits						
141	Medicare Tax		5,862		6,500		6,562
142	Health Insurance		6,897		7,068		7,482
143	Retirement		4,597		6,838		6,862
145	Life Insurance		350		427		428
146	Workers Comp Insurance		348		425		425
148	Long Term Disability Insurance		288		363		363
151	COLA		1,742		0		0
	Total Benefits		20,084		21,621		22,123
152	Merit Adjustment		2,612		3,815		3,968
	Other Compensation						
123	Overtime		0		0		0
	Total Other Compensation		0		0		0
Total Personnel		1.0	99,319	1.0	107,395	1.0	111,870

Human Resources 110-41990

133 Employee Recognition	\$19,050
Service and performance awards, appreciation luncheon, Christmas Luncheon, etc.	
134 HRA Benefit	\$20,000
214 Employee Services	\$2,500
Employee Assistance Program, HRA, FSA	
221 Advertising/Printing	\$8,000
Advertising of position openings	7,950
Business Cards	50
235 Dues & Subscriptions	\$565
American Society of Training & Development	90
TN Public Risk Management Association	50
TN Personnel Management Association	60
TN Valley Human Resources Association	45
Society of Human Resources Management	165
International Personnel Management Association	155
254 Professional Services	\$55,900
Pre-employment background checks & medical screening	8,300
Drug Screen Program	1,000
Retirement Pension Fees	11,600
Classification/Compensation Study	35,000
280 Travel/Training	\$5,500
State Risk Management Conference	1,000
Society of Human Resources Conference	1,600
Kramer Rayson Legal Issues Seminar	100
SHRM Conference	2,500
283 Wellness & Training Program	\$2,500
Employee Training	2,500

Information Technology Services

Performs intermediate technical work managing the Town's geographical information system and configuring, installing and maintaining networks, providing technical support and training users, troubleshooting, repairing and maintaining computer software, hardware and office equipment, installing and upgrading information systems, and related work as apparent or assigned.

Information Technology Services

		FY2016-17	FY2017-18	FY2018-19	FY2018-19	FY2019-20
	INFORMATION TECHNOLOGY SERVICES	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
41640	EXPENDITURES					
111	Regular Employee Wages	35,595	63,838	68,357	68,039	71,092
141	Medicare	2,719	4,760	5,229	5,122	5,439
142	Health Insurance	13,700	19,019	19,382	19,416	20,497
143	Retirement	1,424	2,638	2,734	2,834	2,844
145	Life Insurance	134	161	330	371	371
146	Workers Comp Insurance	0	102	110	110	110
148	Long Term Disability Insurance	131	141	275	257	309
152	Merit Adjustment	0	2,120	3,053	3,053	3,175
	Total Personnel	53,703	92,779	99,470	99,202	103,836
235	Dues & Subscriptions	0	0	50	50	50
237	Audio/Visual Maintenance	3,146	1,136	2,500	1,900	2,500
239	GIS System	34,818	63,509	73,584	73,584	75,000
254	Professional Services	0	10,753	20,000	0	10,000
255	Data Processing Service	93,871	101,024	104,576	109,944	112,000
258	TOF Website Maintenance	8,674	11,696	11,600	12,326	12,000
267	Tyler (Incode software)					
267	Maintenance	14,743	16,599	13,000	13,510	13,510
268	Laserfiche	4,777	0	4,778	4,778	4,778
269	Municode	4,635	12,007	6,000	6,000	6,000
280	Travel/Training	1,318	0	3,000	2,300	4,000
289	Local Travel	0	0	200	75	200
944	Infrastructure Upgrades	52,990	0	0	0	
945	Wi-Fi-Town Hall	8,983	0	1,000	0	0
947	Computer Equip/Software	18,338	14,143	129,500	49,500	109,500
	Total Operating Expenditures	246,293	230,867	369,788	273,967	349,538
	Total Information Technology Services	299,996	323,646	469,258	373,169	453,374

Information Technology Services

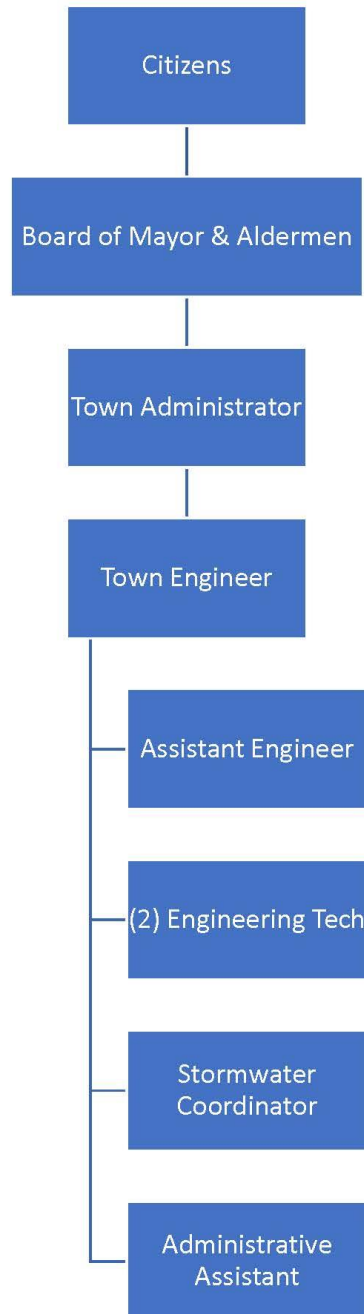
Personnel Detail

Acct Code	Description		<u>Budget</u> FY2017-18		<u>Estimated</u> FY2018-19		<u>Approved</u> FY2019-20
111	Regular Employee Wages						
	IT Manager	1.0	63,300	1.0	68,039	1.0	71,092
	Total Salaries	1.0	63,300	1.0	68,039	1.0	71,092
	Benefits						
141	Medicare Tax		4,842		5,122		5,439
142	Health Insurance		18,743		19,416		20,497
143	Retirement		2,532		2,834		2,844
145	Life Insurance		200		371		371
146	Workers Comp Insurance		102		110		110
148	Long Term Disability Insurance		154		257		309
151	COLA		1,413		0		0
	Total Benefits		27,986		28,110		29,569
152	Merit Adjustment		2,120		3,053		3,175
	Other Compensation						
123	Overtime		0		0		0
	Total Other Compensation		0		0		0
Total Personnel		1.0	93,406	1.0	99,202	1.0	103,836

Information Technology Services 110-41640

235 Dues & Subscriptions		\$50
TNGIC Membership	20	
ELGL Membership	30	
237 Audio/Visual Maintenance		\$2,500
Annual Maintenance contract for the Board room AV system	2,500	
239 Geographic Information System (GIS)		\$75,000
GIS Consulting Contract	42,500	
KGIS Licensing	26,600	
ESRI Licensing (2)	5,400	
ArcGIS Online Credits	500	
254 Professional Services		\$10,000
SharePoint Site Creation & Training		
255 Data Processing Services		\$112,000
Teklinks Networks-Secure Cloud Platinum	102,224	
Public Works to Main Site	3,576	
Teklinks Third Party Assistance	6,200	
258 TOF Website Maintenance		\$12,000
Website contract and maintenance		
267 Tyler-(Incode Software) Maintenance		\$13,510
Unlimited telephone, email, and online support; upgrade and product enhancement releases, W-2 printing		
268 Laserfiche Maintenance		\$4,778
269 Municode		\$6,000
Hosting of Municipal Code online and quarterly updates		
280 Travel/Training		\$4,000
289 Local Travel		\$200
947 Computer Equipment/Software		\$109,500
PC & Mobile Unit Replacement	15,000	
Archiving	5,000	
Upgrade Crestron Control Panels	4,000	
Online reservation payment system	5,000	
Corel Draw-Leisure Services	500	
ERP Software	80,000	

Engineering Department



Engineering Department

The Engineering Department provides supervision and technical assistance to the Town on various projects and services relating to public facilities and serves as staff support to the Stormwater Advisory Committee. Services provided by the department include:

- Road Construction Projects – Supervision of consultants and contractors in the design and construction of roads, including right of way acquisition and utility coordination. Through the Technical Committee of the Knoxville Regional Transportation Planning Organization, the Town has received extensive federal funding for our major roadway projects, as well as many of our sidewalk and greenway projects.
- Park/Greenway Construction Projects – In cooperation with the Parks and Recreation Department, performs oversight of park and greenway improvements.
- Pavement Management – Supervision of resurfacing contracts, which includes the recommendation of streets to be resurfaced based upon thorough inspections. A resurfacing schedule is approved annually by the Board of Mayor and Aldermen.
- Review of Commercial Developments and Subdivision Plats – Review of site plans, subdivision plats and construction of public infrastructure such as subdivision streets and drainage systems to ensure compliance with the Town's engineering regulations.
- Stormwater Program - As an NPDES Phase II community, the Town is dedicated to improving water quality in our creeks.
- Traffic Management Program - Recommendations about safety improvements (i.e. traffic calming) within Farragut subdivisions upon request.

Engineering Goals FY 2020

Critical Success Factor: Building & Maintaining the Town's Infrastructure and Assets

1. The Town of Farragut has established a safe transportation network for pedestrians, bicycles and automobiles.

Goal: The number of lane miles of arterial and collector streets that meet the Town's multi-modal design standards has increased.

Performance Measure (s):

- a. Built Multi-modal Facilities

Projects:

- Union Road Improvements
- Campbell Station/Snyder Road Intersection improvements
- Watt Road Pedestrian Crossing
- Grigsby Chapel Pedestrian Crossing
- Smith Rd. Sidewalk
- Virtue Rd. Improvements
- Kingston Pike/Watt Road Intersection
- Advanced Traffic Management System Signal Project Phase 2
- Virtue Road Design (FY2021)

2. The Town's stormwater system is reliable and well-maintained

Goal: Harmful microorganism concentrations in town streams has reduced.

Performance Measure(s):

- a. E. coli Concentration

Projects:

- Manage the stormwater quality monitoring program

Goal: Aquatic Insect diversity in town streams has increased

Performance Measure(s):

- a. Benthic Organism Diversity

Goal: The linear feet of improved stormwater pipes has increased

Performance Measure(s):

- a. Improved Stormwater Pipe

Projects:

- Stormwater Pipe Replacement Program
- Stormwater Mapping Project
- UT Stormwater Survey

Critical Success Factor: Regional Leadership & Collaboration

3. The Town of Farragut cultivates relationships with regional partners to ensure it is at the forefront of innovation, process, and service delivery

Goal: The Engineering Department's plan review process is completed in fewer days.

Performance Measure(s):

- a. Plan Review Process

Projects:

- Implement MyGovernment Online software
- Implement Bluebeam software
- Design and implement plan review master plan

Other Projects & Initiatives:

Manage the Town's Traffic Calming Program

Engineering Department

		FY2016-17	FY2017-18	FY2018-19	FY2018-19	FY2019-20
	ENGINEERING DESCRIPTION	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
41670	EXPENDITURES					
110	Salaries	172,552	150,800	188,199	179,210	188,648
111	Regular Employee Wages	191,010	193,050	205,982	191,579	207,128
123	Overtime Wages	865	4,336	6,000	5,000	6,000
141	Medicare	29,326	27,737	27,487	27,483	27,483
142	Health Insurance	81,661	73,449	86,639	67,128	77,313
143	Retirement	27,070	27,435	30,223	27,456	27,457
145	Life Insurance	1,904	1,585	1,762	2,052	2,054
146	Workers Comp Insurance	4,848	4,500	4,750	4,750	4,750
148	Long Term Disability Insurance	1,679	1,695	1,806	1,756	1,718
150	Benefit Disbursement	8,488	5,567	8,400	8,764	8,800
152	Merit Adjustment	8,418	9,267	18,057	14,557	18,010
	Total Personnel	527,821	499,421	579,305	529,735	569,362
221	Printing	200	169	200	200	200
235	Dues/subscriptions	1,278	1,267	2,380	1,500	2,380
254	Professional Services	8,799	51,438	50,000	50,000	0
264	Traffic Signal Maintenance	28,506	30,419	45,000	43,000	45,000
272	Traffic Signal Timing	1,919	0	4,000	10,000	10,000
280	Travel/Training	1,389	217	5,000	2,500	5,000
282	Auto Allowance	3,476	3,600	3,600	3,600	3,600
289	Local Travel	102	144	1,000	200	1,000
300	Supplies	617	892	1,000	1,000	1,000
312	Small Tools and Equipment	763	147	1,000	800	1,000
313	Computer Equip/Software	0	189	1,500	800	1,500
326	Clothing/Uniforms	1,770	1,598	2,500	1,800	2,500
331	Gasoline	2,373	2,474	3,100	2,700	3,100
490	Storm Water Program/NPDES	34,759	26,796	32,485	32,485	34,060
947	Equipment	-424	0	1,000	2,800	2,000
	Total Operating Expenditures	85,527	119,350	153,765	153,385	112,340
	Total Engineering	613,348	618,771	733,070	683,120	681,702

Acct Code	Description		<u>Budget</u> <u>FY2017-18</u>		<u>Estimated</u> <u>FY2018-19</u>		<u>Approved</u> <u>FY2019-20</u>
110	Salaries						
	Town Engineer	1.0	109,019	1.0	111,199	1.0	115,648
	Assistant Town Engineer	1.0	68,584	1.0	68,011	1.0	73,000
	Total Salaries	2.0	177,603	2.0	179,210	2.0	188,648
121	Regular Wages						
	Engineering Technicians	3.0	157,540	3.0	162,718	3.0	169,126
	Administrative Assistant	1.0	41,579	1.0	28,861	1.0	38,002
	Total	4.0	199,119	4.0	191,579	4.0	207,128
	Benefits						
141	Medicare Tax		26,273		27,483		27,483
142	Health Insurance		83,827		67,128		77,313
143	Retirement		28,177		27,456		27,457
145	Life Insurance		1,810		2,052		2,054
146	Workers Comp Insurance		4,500		4,750		4,750
148	Long Term Disability Insurance		1,592		1,756		1,719
151	COLA		8,614		0		0
	Total Benefits		154,793		130,625		140,776
152	Merit Adjustment		12,921		14,557		18,010
	Other Compensation						
123	Overtime		6,000		5,000		6,000
	Benefit Adjustment		8,400		8,764		8,800
	Total Other Compensation		14,400		13,764		14,800
Total Personnel		6.0	558,836	6.0	529,735	6.0	569,362

Engineering 110-41670

221 Printing/Forms		\$200
Business Cards		
235 Dues, Subscriptions		\$2,380
American Society of Civil Engineers (2)	460	
Institute of Traffic Engineers (2)	440	
Engineering News Record and Civil Engineering	400	
Professional Privilege Tax	800	
P.E. License registration (2)	280	
264 Traffic Signal – Maintenance		\$45,000
21 signals & 6 school & traffic flashers; contract and other repairs		
272 Traffic Signal Timing		\$10,000
Coordination of traffic signals based on changing needs within the Town.		
280 Travel/Training		\$5,000
Tennessee Chapter American Public Works Association	1,000	
ASCE Conference	1,000	
Engineering Seminars/Classes (15)	3,000	
282 Employee Automobile Allowance		\$3,600
Town Engineer		
289 Local Travel		\$1,000
Mileage for local travel	500	
AmeriCorps Mileage	500	
300 Supplies		\$1,000
Miscellaneous office, survey and plotter supplies.		
312 Small Tools/Equipment		\$1,000
Misc. field and survey tools		
313 Computer Equipment/Software		\$1,500
iPad data package		
326 Clothing/Uniforms		\$2,500
Uniforms	1,620	
Town Shirts	200	
Boots (4 employees)	680	
331 Gasoline		\$3,100
Four vehicles		
490 Storm Water Program, NPDES		\$34,060
Annual Small MS4 Fee/TDEC	3,460	

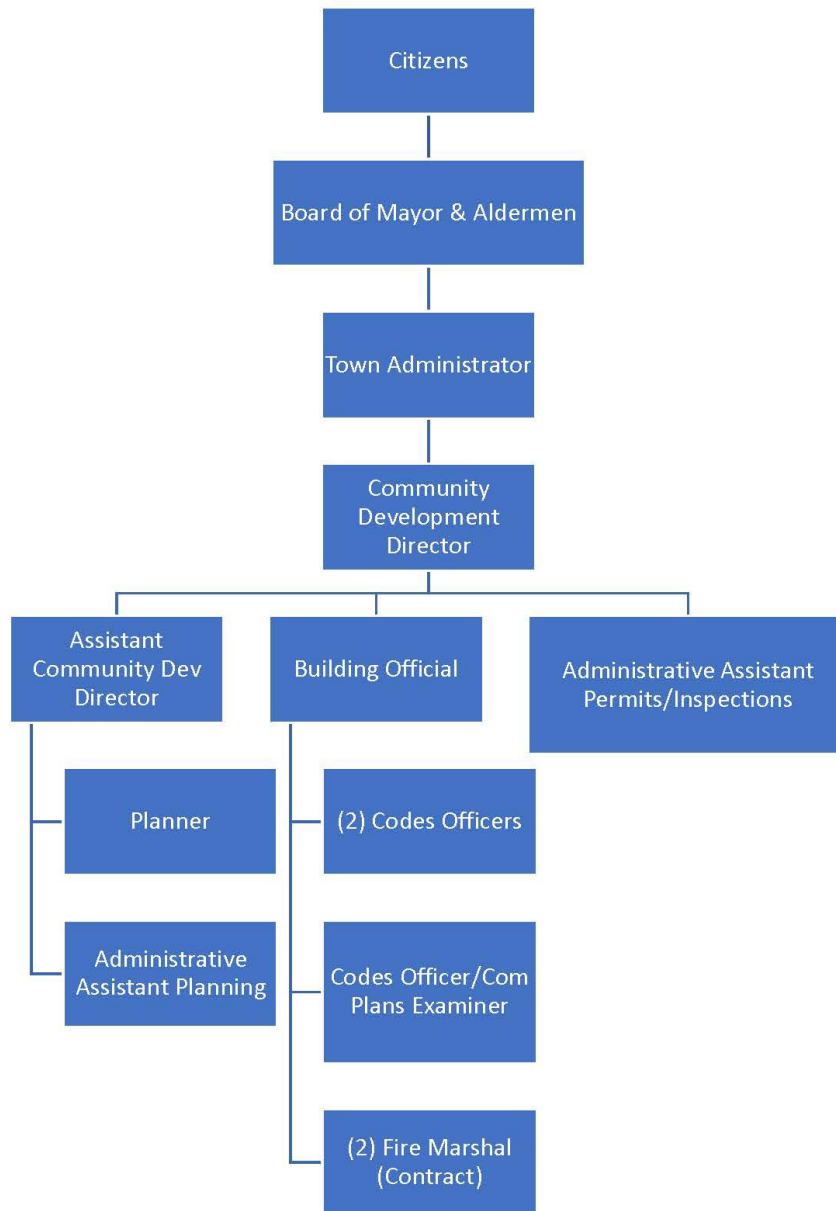
Tennessee Stormwater Association (TSA) Membership	300
TSA Annual Conference	800
Miscellaneous Seminars	1,000
Water Quality Forum Membership	3,000
General Supplies	2,000
Adopt a Stream Program	500
Event Sponsorship	1,500
Outdoor Classroom Community Projects	2,000
Water Quality Testing	5,000
AmeriCorps Service Membership	10,500
AmeriCorps Program Support/Training	750
AmeriCorps Relocation Allowance & Completion Award	500
AmeriCorps Mileage	750
General Projects	2,000

947 Equipment

\$2,000

Misc. Survey Equipment

Community Development Department



Community Development Department

The Community Development Department is the combination of the planning and codes enforcement divisions with comprehensive services within both of these divisions provided to citizens, businesses, builders and developers. The department evaluates issues relative to development occurring within the Town. The planning staff is primarily responsible for administering the Zoning Ordinance, Subdivision Regulations and applicable sections of the Municipal Code. The Community Development staff also provides support to the Farragut Municipal Planning Commission (FMPC), Farragut Board of Zoning Appeals (BZA), Visual Resources Review Board (VRRB), Board of Plumbing and Gas/Mechanical Examiners and Municipal Court. Services provided by the department include:

Planning Division

Requests are reviewed, background and supporting information is compiled, and recommendations are made as these requests are forwarded to the appropriate board or committee except where noted below:

- Review of Requests for Rezoning and Text Amendments to Land Use Related Documents - Recommendations are forwarded to FMPC and the Board of Mayor and Aldermen.
- Review of Text Amendments to the Sign Ordinance – Recommendations are forwarded to VRRB, FMPC and the Board of Mayor and Aldermen.
- Review of Requests for the Subdivision of Property - Concept plans, preliminary plats, final plats, resubdivision plats and plats of correction are reviewed for compliance with the Zoning Ordinance, Sign Ordinance, Tree Protection Ordinance, Aquatic Buffer Ordinance, Sinkhole Ordinance and Subdivision Regulations.
- Review of Site Plans for all Non-Single Family or Two-Family Residential uses such as Commercial, Office, Public, Semi-Public, Other Non-Residential Uses and Multi-Family Developments - Site plans are reviewed to ensure they are in compliance with Town requirements such as setbacks, open space,

maximum lot coverage, parking requirements, tree protection, fire protection, access and other Town requirements after which recommendations are forwarded to FMPC.

- Review of Residential Site Plans - Site plans are reviewed to ensure they are in compliance with Town setback requirements, maximum lot coverage requirements, access requirements and to ensure that easements are not violated.
- Review of Requests for Special Exceptions, Variances, Zoning Ordinance, Sign Ordinance and Sinkhole Ordinance Interpretations and Appeals - Requests are reviewed, background and supporting information is compiled, and recommendations are made to the BZA.
- Review of Sign Applications and Landscape Plans - Applications and plans are reviewed to ensure compliance with all Town requirements. Recommendations are made on applications for ground signs and landscape plans to the VRRB. The staff reviews and approves applications and plans for all wall signs.
- Preparation of Community Plans - Includes such plans as the pedestrian and bicycle plan, land use plan, community facilities plan, utility arboretum plan and other related documents.
- Enforcement of Sign Ordinance

Codes Enforcement Division

- Review of All Commercial, Office and Residential Construction Plans - All commercial, office and residential construction plans are reviewed to ensure they meet minimum code requirements
- Permits - Various permits are required for all new construction and the vast majority of remodeling, both commercial and residential.
- Inspections - Codes officers' conduct the following inspections, by appointment: footers, slab/energy, plumbing slab, preliminary gas/mechanical and plumbing, framing, energy/insulation, final

gas/mechanical and final building for occupancy. Electrical inspections are performed by Lenoir City Utilities Board and must be scheduled by calling (865) 986-6591.

- Fire and Safety Inspections - Annual inspections of commercial buildings for fire and safety codes are conducted through a joint agreement between the Town and Rural/Metro Inc. New commercial plans are reviewed, and construction is inspected to ensure compliance with fire codes.
- Licensing for Plumbing and Gas/Mechanical Contractors - Application packets are available from the Farragut Codes Enforcement Division and require a review by the Board of Plumbing and Gas/Mechanical Examiners.

Critical Success Factor: Building and Maintaining the Town's Infrastructure and Assets

1. The Town of Farragut has established a safe transportation network for pedestrians, bicycles and automobiles

Goal: The number of gaps in the Town's pedestrian connectivity network has reduced

Performance Measure(s):

- a. Multi-Modal Gaps
- b. Planned Linear Miles of Multi-Modal Facility

Projects:

- Identify all existing gaps
- Prioritize gaps
- Update Major Road Plan
- Update Pedestrian & Bicycle Plan

Critical Success Factor: Promoting a Convenient Retail and Services Destination

2. Farragut is known for vibrant commercial centers

Goal: The proportion of available commercial tenant spaces occupied by a tenant has increased

Performance Measure(s):

- a. Commercial Occupancy Rate

Projects:

- Map commercial uses and occupancy
- Evaluate commercial districts according to revenue type
- Develop a process to encourage redevelopment of aging commercial

centres and re-occupancy of vacant spaces

- Develop and implement a business and construction guidelines and best practices manual for new businesses in Farragut

Critical Success Factor: Advancing a High-Quality Built Environment

3. The Town ensures a high-quality built environment through deliberate formal planning

Goal: Projects approved by the Planning Commission have fewer conditions

Performance Measure(s):

- a. Average Conditions Per Project

Goal: The percentage of projects with a pre-project meeting has increased

Performance Measure(s):

- a. Pre-project Meeting Rate

Goal: The percentage of Fire/Building Code inspections that pass has increased

Performance Measure(s):

- a. Fire/Building Inspection Success Rate

Goal: The number of business days to complete plan review has reduced

Performance Measure(s):

Plan Review Cycle

Goal: The Community Development Department/Town's Satisfaction Rating has increased

Performance Measure(s):

Development Satisfaction Rating

Goal: Solution Center projects are addressed in fewer business days

Performance Measure(s):

Solution Center Time to First Response

Projects:

- Propose policy to Planning Commission to limit the number of conditions
- Update application materials and online information to clearly communicate plan submittal expectations
- Update online plan submittal workflow to require pre-project meeting with staff
- Implement requirement for Pre-project meeting with staff
- Determine best practices preparing for an inspection.
- Offer training to members of the development community
- Implement survey for projects completed in MGO
- Implement pre-project meetings
- Hold post-project meetings to gather additional feedback
- Design and implement a plan review master plan

- Periodically evaluate the workflow process and make adjustments as needed.

4. The Town ensures a high-quality built environment through community engagement

Goal: The number of hours of training provided by the Town to the development community has increased.

Performance Measure(s):

a. Town-provided Training

Projects:

- Develop and implement a training program for members of the development community.

Other Projects & Initiatives:

- Continue to implement elements of the CLUP (develop visioning objectives for priority areas)
- Promote and enhance the marketability of aging subdivisions
- Update different planning related documents (sign ordinance, telecommunications, subdivision regulations)

Community Development Descriptions

		FY2016-17	FY2017-18	FY2018-19	FY2018-19	FY2019-20
	CD DESCRIPTION	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
41700	EXPEDITURES					
110	Salaries	126,758	142,361	145,650	189,814	223,476
111	Regular Employee Wages	270,022	272,378	366,168	271,979	314,726
123	Overtime Wages	570	1,774	3,000	1,000	3,000
129	Temporary Wages	6,689	9,331	8,000	2,000	8,000
141	Medicare	28,195	33,014	37,175	36,739	39,104
142	Health Insurance	101,053	106,794	135,404	127,800	149,273
143	Retirement	36,124	32,655	34,830	34,609	36,451
145	Life Insurance	1,995	1,645	2,431	2,695	2,800
146	Workers Comp Insurance	7,724	6,500	6,800	7,900	7,900
148	Long Term Disability Insurance	1,810	1,938	2,480	2,289	2,338
150	Benefit Disbursement	3,953	3,951	8,468	2,171	4,000
152	Merit Adjustment	9,256	16,239	23,344	21,344	24,541
	Total Personnel	594,149	628,580	773,750	700,340	815,609
221	Advertising/Printing	4,665	3,652	5,000	3,000	5,000
230	Legal Notices	6,886	4,077	5,000	6,800	6,000
235	Dues/Subscriptions	1,277	1,507	1,880	1,880	1,880
254	Professional Services	66,315	68,513	94,168	80,000	86,918
280	Travel/Training	8,559	4,785	10,500	10,500	10,500
282	Employee Auto Allowance	3,614	3,600	3,600	3,600	3,600
289	Local Travel	0	0	200	200	200
300	Supplies	903	559	1,500	1,500	1,500
311	Books and Education Material	6,863	6,563	8,000	7,000	8,000
312	Small Tools/Equipment	945	4,765	2,500	2,000	8,850
326	Clothing/Uniforms	2,367	2,502	3,000	2,600	3,450
331	Gasoline	2,886	2,792	4,000	4,000	4,000
937	Office Renovations	0	13,454	0	0	0
	Total Operating Expenditures	105,280	116,769	139,348	123,080	139,898
	Total Community Development	699,429	745,349	913,098	823,420	955,507

Community Development

Personnel Detail

Acct Code	Description		<u>Budget</u> <u>FY2017-18</u>		<u>Estimated</u> <u>FY2018-19</u>		<u>Approved</u> <u>FY2019-20</u>
110	Salaries						
	Community Development						
	Director	1.0	78,286	1.0	80,650	1.0	83,876
	Assistant Development Director	1.0	58,939	1.0	65,000	1.0	67,600
	Building Official	0.0	0	1.0	44,164	1.0	72,000
	Total Salaries	2.0	137,225	3.0	189,814	3.0	223,476
121	Regular Wages						
	Building Official	1.0	49,620	0.0	0	0.0	0
	Planner I	1.0	36,218	1.0	28,782	1.0	41,496
	Codes Officers	3.0	173,847	3.0	159,540	3.0	186,202
	Administrative Assistant	2.0	96,907	2.0	83,657	2.0	87,028
	Total	5.0	356,592	6.0	271,979	6.0	314,726
	Benefits						
141	Medicare Tax		34,860		36,739		39,104
142	Health Insurance		150,689		127,800		149,273
143	Retirement		38,575		34,609		36,451
145	Life Insurance		2,667		2,695		2,800
146	Workers Comp Insurance		6,500		7,900		7,900
148	Long Term Disability Insurance		2,219		2,289		2,338
151	COLA		11,340		0		0
	Total Benefits		246,850		212,032		237,866
152	Merit Adjustment		17,011		21,344		24,541
	Other Compensation						
123	Overtime		3,000		1,000		3,000
	Benefit Adjustment		8,468		2,171		4,000
129	Temporary Wages		10,000		2,000		8,000
	Total Other Compensation		21,468	0 0	5,171		15,000
Total Personnel		7.0	779,146	9.0	700,340	9.0	815,609

Community Development 110-41700

221 Advertising/Printing		\$5,000
Inspection and permit forms, business cards, license, ADG Copies, etc.		
230 Legal Notices		\$6,000
Meeting notices in newspaper		
235 Dues/Subscriptions		\$1,880
Tennessee Building Officials Association	25	
National Fire Protection Associations	175	
East Tennessee Building Officials Association	125	
International Code Council	135	
American Planning Association	500	
Tennessee Chapter American Planning Association	100	
American Institute of Certified Planners	270	
Smoky Mountain Regional Greenway Council	550	
254 Professional Services		\$86,918
Fire Codes-Contract with Rural/Metro for Fire Marshal	74,418	
Liens/Property Maintenance	10,000	
Ordinance Updates	2,500	
280 Travel/Training		\$10,500
TAPA conference	750	
Webinars	1,000	
ETBOA conference	1,500	
Planning Commission and BZA Training	1,000	
Planning - Winter Training Retreat	600	
Quarterly KAPA Meetings	100	
Monthly ETBOA Meetings	150	
Miscellaneous Training (Computer, Customer Service, etc.)	1,200	
Court Clerk Training	300	
Building Official-Energy Code Continuing Ed, Certifications for		
Commercial Plumbing, Gas/Mechanical, Commercial Plans review	2,650	
Certified Floodplain	250	
Erosion Control Certification	375	
AICP Environ. Pl. Certification (CEP)	625	
282 Employee Auto Allowance		\$3,600
Director		
289 Local Travel		\$200
Mileage for local travel		

300 Supplies		\$1,500
Miscellaneous supplies, Calendars, Board members name blocks		
311 Books and Educational Material		\$8,000
WindoWare support services, Permit LV annual contract fee,		
training materials	5,000	
iPad Service	3,000	
312 Small Tools/Equipment		\$8,850
Equipment for inspectors, rezoning signs, flashlights, tape measures,		
plans storage, chairs, filing cabinet	750	
Equipment for additional employees	500	
Hardware for plans review & electronic transition	7,600	
Two plans review workstations \$5,500 total (43" monitor, 27"		
monitor, PC with upgraded graphics processor);		
Nine monitors (27 inch) \$1,350 (9x150);		
Three tablet mounts for the code officers' vehicles \$750 (3x250).		
326 Clothing/Uniforms		\$3,450
Employee Uniforms	2,600	
Boots for three inspectors	850	
331 Gasoline		\$4,000
Inspector vehicles (3), pool vehicle		

General Government

The General Government consists of resources used by the whole organization and the operation/maintenance of Town Hall. There are no personnel cost allocated to this department. The department budget includes items such as telephone, utilities, building maintenance and office supply expenditures for all Town operations.

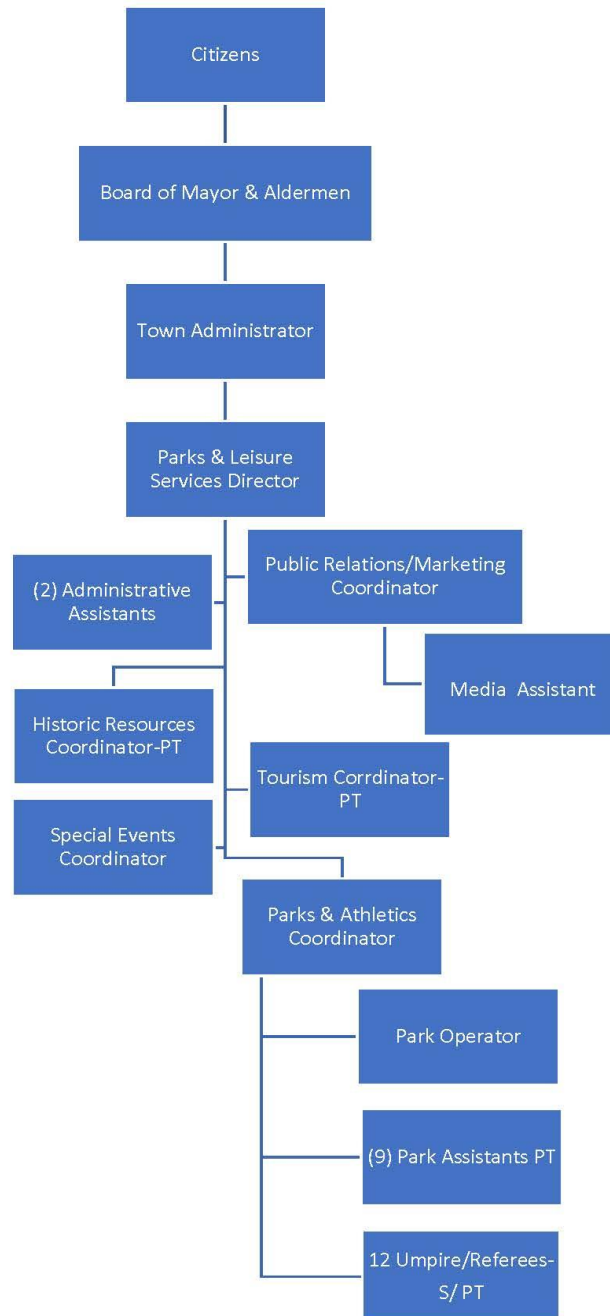
General Government

		FY2016-17	FY2017-18	FY2018-19	FY2018-19	FY2019-20
	GENERAL GOVERNMENT	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
41800	EXPENDITURES					
132	First Aid Services	580	971	1,000	850	1,000
211	Postage	3,926	2,826	5,500	3,500	5,500
216	Radio Communications	3,744	2,500	5,000	3,800	5,000
219	Security System	1,495	3,723	3,750	2,500	3,750
240	Utilities	52,668	46,237	65,000	60,631	68,600
245	Telephone	36,524	43,444	43,300	44,500	45,000
260	Office Equip. Maintenance	0	1,183	2,000	1,000	2,000
266	Building Maintenance	40,846	34,147	43,300	40,000	43,000
294	Equipment Rental	12,260	11,724	17,000	15,392	20,000
310	Office Supplies	12,815	11,745	15,000	14,043	15,000
312	Small Tools/Equip	327	1,316	2,000	1,500	2,000
924	LED Lighting	0	0	0	0	0
945	Infrastructure and Equipment	0	0	0	0	69,000
	Total	165,185	159,816	202,850	187,716	279,850

General Government 110-41800

132 First Aid		\$1,000
Supplies for all departments		
211 Postage		\$5,500
All mailings for the Town		
216 Radio Communications		\$5,000
KCSO/TEMA radio system link user fee	3,000	
Public Works narrow band radio maintenance user fee	2,000	
219 Security System		\$3,750
Life and Property Town Hall Monitoring	1,500	
TDS Internet-Cameras	1,100	
Protection One	1,150	
240 Utilities		\$68,600
Electric, gas, water/sewer for the Town Hall		
245 Telephone		\$45,000
Phone service/maintenance at Town Hall and services for all Town owned cell phones		
260 Office Equipment Maintenance		\$2,000
266 Building Maintenance		\$43,000
HVAC Maintenance	14,000	
Town Hall Supplies	15,500	
Irrigation System	500	
Elevator Maintenance	3,000	
Campbell Station Inn	5,000	
Town Hall Repairs	5,000	
294 Equipment Rentals		\$20,000
Pitney Bowes Postage Machine (\$302 Month)	3,700	
Oce Copier Rentals & Maintenance (5)	16,300	
310 Office Supplies		\$15,000
General supplies for all employees		
312 Small Tools/Equipment		\$2,000
945 Infrastructure & Equipment		\$69,000
Phone System	45,000	
Access Control-Town Hall	18,000	
Cameras-Town Hall	6,000	

Parks & Recreation Department



Parks & Recreation Department

The Parks and Recreation Department provides a variety of programs and services, which were established to enhance the quality of life and increase community involvement for Farragut's citizens. Staff also serves as support for the Arts and Beautification Committee, Farragut Museum Committee, Farragut Tourism/Visitors Advisory Committee, Parks and Athletics Council and other ad-hoc committees. Services provided by the department include:

- Park and Greenway Management – Supervision of parks and greenways including facility planning, grant preparation, inspections, equipment orders and evening/weekend oversight and maintenance.
- Farragut Museum is a treasure chest of artifacts and photographs, which tell the history of the Farragut and Concord communities. One of the highlights of the museum is the Admiral David Glasgow Farragut collection.
- Athletics Including Adult Sand Volleyball
- Programs, Classes and Special Events
 - Adult Dance
 - Shamrock Ball
 - Book Fest for Children
 - Youth Fishing Rodeo
 - Art and Flower Show
 - Farragut Movers and Shakers Club (part of the national “Let’s Move” Initiative)
 - Independence Day Parade
 - Fun with Farragut’s Fleet
 - Kids Day at the Museum
 - Annual Free Putt Putt Day
 - Picnic on the Pike
 - Freaky Friday Fright Nite
 - Celebrate the Season
 - Array of fitness, art and adult educational classes, and lectures
- Facility Reservations
 - Farragut Park shelters, community room and athletic fields
- Citizen Involvement/Volunteer Coordination
- Public Relations

Critical Success Factor: Providing Excellent parks, recreation, cultural amenities and programs.

1. The Town provides events, programs and cultural activities that support tourism.

Goal: The number of engagements on the Town's Visit Farragut social media sites has increased.

Performance measure(s):

- a. Visit Farragut Facebook engagements
- b. Visit Farragut Instagram engagements
- c. Visit Farragut YouTube engagements

Projects:

- Work with consultant on defining and refining definition of Farragut visitors
- Create Visit Farragut only social media platforms
- Prioritize obtaining video of events and facilities
- Engage in ad and boost campaigns and prioritize responses to social media
- Prioritize marketing of the Farragut Museum with an emphasis on Admiral Farragut Collection
- Coordinate a Visit Farragut tourism plan and begin implementation

2. The Town provides events, programs and cultural activities that enhance a sense of community.

Goal: The number engagements on the Town's social media sites has increased

Performance measure(s):

- a. Town Facebook engagements
- b. Town Instagram engagements

c. Town Twitter engagements

Projects:

- Prioritize obtaining video of events, facilities, classes, programs, meetings, etc.
- Create 2020 Annual Report website
- Continue to create media releases, advisories, articles and e-newsletters
- Create parks & recreation website

Goal: Fee producing indoor facilities are rented more hours

Performance measures:

- a. Ballroom rental hours
- b. Classroom rental hours
- c. Gym rental hours

Projects:

- Recommend and implement a rental facility rate schedule
- Create a 360-degree tour of community center rental space for website
- Establish guidelines/regulations for community center rentals
- Research marketing opportunities for community center rentals and implement within budget

Goal: Attendance at town-sponsored programs, special events and classes has increased.

Performance measure(s):

- a. Program attendance
- b. Special event attendance
- c. Class attendance
- d. Athletics attendance

Projects:

- Coordinate major, minor and cooperative special events and prioritize partnerships for additional special events
- Create new program, class and athletic offerings for community center without duplicating local for-profit or non-profit efforts
- Evaluate current special events, programs and classes using a program assessment tool
- Coordinate anniversary events (3)
- Create operating manuals and best practices for the community center
- Expand opportunities for volunteers
- Expand Museum special events

3. Farragut's expanded parks allow for a variety of experiences for visitors and residents.

Goal: Fee producing park facilities are rented for a higher percentage of their available time blocks.

Performance measure(s):

- a. Athletic field occupancy rate
- b. Pavilion occupancy rate

Projects:

- Complete renovation of Anchor Park
- Revamp policies for special event rentals at Founders Park
- Complete Parks and Recreation Master Plan update
- Dissolve adult softball league in favor of rental opportunities
- Complete construction documents and bid process for McFee Park Phase 3

Other Projects & Initiatives:

- Coordinate production of Town of Farragut history film
- Assist in coordination of construction of Campbell Station Inn Phase 3
- Assist in planning of additional greenway links
- Coordinate additional revenue producing programs: Adopt a Bench, Plant a Tree, Friends of the Museum
- Coordinate, with Knox County and City of Knoxville, a joint online park and greenway map
- Provide training for staff (16 hours for assistant level and 40 hours for professional level) and pursue CPRP certification
- Create parks & recreation website

Parks and Recreation Department

		FY2016-17	FY2017-18	FY2018-19	FY2018-19	FY2019-20
		<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
41900	PARKS & RECREATION					
	EXPENDITURES					
110	Salaries	90,376	92,165	95,762	95,450	99,593
111	Regular Employee Wages	280,621	310,803	333,426	315,030	356,744
122	Seasonal Employee wages	56,359	51,653	80,000	80,000	87,200
123	Overtime Wages	5,548	9,469	9,000	9,000	9,000
141	FICA/Medicare	33,565	35,932	39,794	36,939	42,269
142	Health Insurance	104,918	110,937	124,633	115,118	128,776
143	Retirement	22,893	23,428	26,549	24,023	24,338
145	Life Insurance	1,804	1,669	1,783	1,960	2,073
146	Workers Comp Insurance	2,621	5,041	3,500	5,371	5,200
148	Long Term Disability Insurance	1,654	1,292	1,702	1,323	1,726
150	Benefit Disbursement	0	0	2,500	982	2,500
152	Merit Adjustment	10,085	14,839	21,513	19,213	20,651
	Total Personnel	610,444	657,228	740,162	704,409	780,071
221	Advertisement/Printing	24,749	22,655	33,000	33,000	37,750
231	Volunteer Program	7,524	11,267	14,000	14,000	14,000
232	Annual Report	16,892	17,043	0	0	0
	Education Reimbursement					
234	Program	1,000	1,500	0	0	1,500
235	Dues/Subscriptions	3,065	1,910	2,650	2,650	4,370
236	Community Relations	1,719	1,043	6,500	6,500	11,500
240	Utilities	113,661	86,273	95,000	95,000	100,000
254	Professional Services	42,771	61,267	20,000	20,000	10,000
263	Arts & Beautification	9,938	7,872	11,000	5,000	10,500
280	Travel/Training	8,441	8,897	12,500	12,500	12,500
282	Automobile Allowance	3,614	3,600	3,600	3,600	3,600
300	Supplies	7,321	9,082	10,000	10,000	11,000
311	Books and Educ. Material	36	73	250	250	250
312	Small tools/equipment	7,400	7,817	10,000	10,000	10,000
319	Park Equipment	18,500	24,468	21,500	21,500	24,000
320	Splash Pad	0	0	15,350	15,350	20,350
326	Clothing/Uniforms	628	628	2,000	2,000	2,000
331	Gasoline	2,937	3,810	4,000	4,000	4,000
362	Programs	23,178	21,764	30,000	30,000	30,000
722	Farragut Museum Committee	5,442	4,769	6,000	6,000	6,000
723	General Museum	13,912	18,407	15,000	15,000	15,000
730	Tourism	0	0	40,000	40,000	40,000
937	Park Capital Equipment	40,708	45,855	62,000	62,000	31,500
	Total Operating Expenditures	353,436	361,651	414,350	408,350	399,820
	Total Parks & Recreation	963,880	1,018,879	1,154,512	1,112,759	1,179,891

Parks and Recreation Department

Personnel Detail

Acct Code	Description		<u>Budget</u> <u>FY2017-18</u>		<u>Estimated</u> <u>FY2018-19</u>		<u>Approved</u> <u>FY2019-20</u>	
110	Salaries							
	Parks & Leisure Services Director	1.0	92,954	1.0	95,450	1.0	99,593	
	Total Salaries	1.0	92,954	1.0	95,450	1.0	99,593	
121	Regular Wages							
	Athletic & Park Coordinator	1.0	42,952	1.0	49,109	1.0	51,085	
	Public Relations Coordinator	1.0	49,005	1.0	51,002	1.0	53,040	
	Special Event & Program Coordinator	1.0	44,934	1.0	40,500	1.0	42,120	
	Museum Coordinator	1.0	45,276	1.0	34,057	1.0	32,383	
	Administrative Assistant	2.0	74,598	2.0	72,638	2.0	78,040	
	Park Operator	1.0	31,200	1.0	32,781	1.0	34,112	
	Tourism Coordinator	0.0	0	1.0	34,943	1.0	34,944	
	Media Assistant	0.0	0	0.0	0	1.0	31,020	
	Total	7.0	287,965	0	8.0	315,030	9.0	356,744
122	Seasonal Employee Wages							
	Park Assistants	8.0	80,000	8.0	80,000	8.0	95,000	
	Total	8.0	80,000	8.0	80,000	8.0	95,000	
	Benefits							
141	Social Security & Medicare Tax		35,949		36,939		42,269	
142	Health Insurance		109,467		115,118		128,776	
143	Retirement		23,440		24,023		24,338	
145	Life Insurance		1,814		1,960		2,073	
146	Workers Comp Insurance		3,341		5,371		5,200	
148	Long Term Disability Insurance		1,509		1,323		1,727	
151	COLA		8,670		0		0	
	Total Benefits		184,190		184,734		204,383	
152	Merit Adjustment		16,450		19,213		20,651	
	Other Compensation							
123	Overtime		9,000		9,000		9,000	
	Benefit Adjustment		2,500		982		2,500	
	Total Other Compensation		11,500		9,982		11,500	
Total Personnel		15.0	673,059	15.0	704,409	15.0	787,871	

Parks and Recreation 110-41900

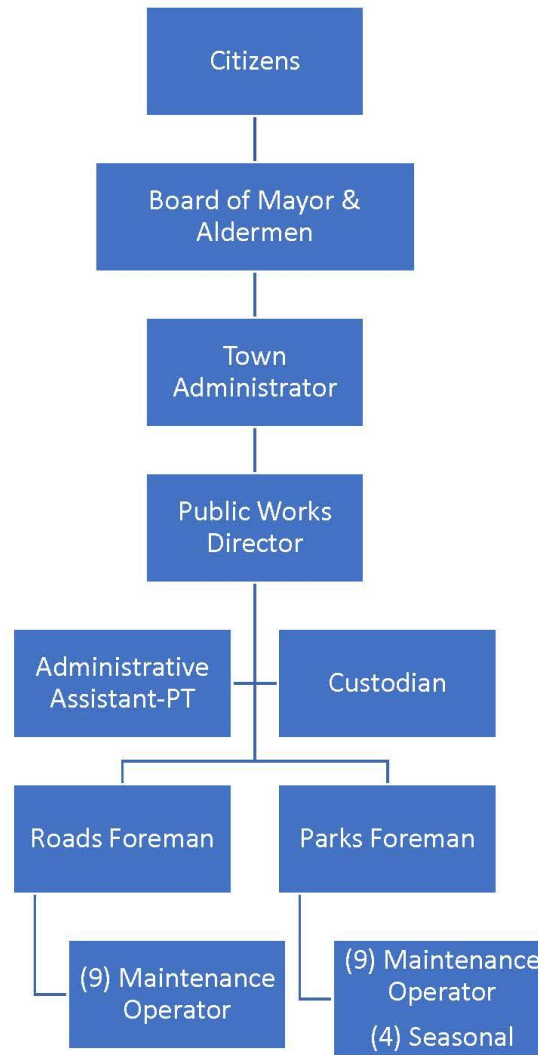
221 Advertisement/Printing		\$37,750
General advertising (non-tourism related), Talk of the Town, videos, business cards, constant contact, survey monkey, 2020 special census advertising		
231 Volunteer Program		\$14,000
Banquet, holiday breakfast, volunteer recognitions, supplies, flowers, cards		
234 Educational Assistance		\$1,500
235 Dues/Subscriptions (not tourism or museum)		\$4,370
National Recreation and Parks Association-Dues & Certifications	900	
Tennessee Recreation Parks Association	700	
Costco Membership	250	
Kiwanis	200	
APA Online	50	
AED License/Updates	200	
Musco Control Link Monitoring (Athletic Field Lights)	1,800	
Survey Monkey	270	
236 Community Relations		\$11,500
General giveaways, receptions and committee food, flowers, holiday cards, framing, 40 th anniversary celebration		
240 Utilities		\$100,000
Water, electric, irrigation, restrooms - all parks & Dimmick House, splash pad and Campbell Station Inn		
254 Professional Services		\$10,000
40 th anniversary film and non-tourism related services		
263 Arts & Beautification		\$10,500
Beautification signs, plaques, town hall holiday decorations, Celebrate the Season, art shows, BookFest, photography show		
280 Travel, Training		\$12,500
American Red Cross (CPR, First Aid, AED)	300	
National Recreation and Parks Association National Conference	2,500	
Certified Playground Safety Instructor	1,000	
Tennessee Recreation and Parks Association State Conference/District	4,500	
TRPA Specialty Schools (Athletics, programming, etc.)	1,200	
Public Relations & Marketing Training	1,200	
One Day Training/Online (Management, customer service, social media)	1,200	
Parking, Mileage	600	

282 Auto Allowance		\$3,600
Parks & Recreation Director		
300 Supplies		\$11,000
Pet waste bags, first aid supplies (parks), invitations, specialty office supplies, adopt a mile bags, general athletic field supplies, laundry		
311 Books/Education Materials		\$250
312 Small Tools & Equipment		\$10,000
Athletic tools & equipment; small park, greenway and adoption signs, office, event, athletics & program equipment, AED batteries		
319 Park Equipment		\$24,000
Park repairs	8,000	
Park Benches/plates	6,000	
Kiosks	2,000	
Trash cans	2,000	
Playground parks	4,500	
Pet stations	1,500	
320 Splash Pad		\$20,350
Permit	350	
Supplies (chemicals, etc.)	3,500	
Parts & replacement	8,500	
Opening, closing & repairs	8,000	
326 Clothing/Uniforms		\$2,000
PARD staff clothing & BMA		
331 Gasoline		\$4,000
3 vehicles		
362 Programs		\$30,000
Special events, programs and classes	18,000	
Softball & volleyball leagues (not officials)	3,500	
Plant-a-Tree, Adopt A Bench & fall tree planting	8,500	
722 Farragut Museum Committee		\$6,000
Events, membership, oral histories		
723 General Museum		\$15,000
Memberships, travel & training, archival supplies, software, exhibit supplies, equipment		

Tourism		\$40,000
Dues	4,875	
Advertising (state & local guides, interstate sign, social media, print ads, etc.)	3,125	
Professional services & production	10,000	
Travel & training	4,300	
Web services, misc.	2,200	
Print	10,000	
Event	5,500	

937 Park & Recreation Facilities		\$31,500
Archival cases	5,000	
Banner set	5,000	
Park cameras	10,000	
Turf Gmax testing/field update	4,500	
Video equipment	5,000	
AED cabinet	2,000	

Public Works Department



Public Works Department

The Public Works Department provides various services relating to public facilities within the Town of Farragut. Services provided by the department include:

- Street Maintenance - Maintenance of designated streetlights, street signs, traffic signs and signals plus litter control, emergency patching, repair and reconstruction of curbing, string trimming and response to emergency situations.
- Park and Public Facility Maintenance - Includes maintenance of the Town's four parks, miles of greenways, Town Hall, public works facility and all other Town-owned properties.
- Seasonal Decorations – Includes holiday decorations and installation of street banners (five seasons).
- Snow Removal – Priority list of streets to be plowed is approved each year by the Board of Mayor and Aldermen.
- Rights of Way Mowing & Maintenance
- Drainage Projects - Public drainage projects which improve the capital investments and infrastructure of the Town. This is in addition to the drainage improvement program – a joint program in which citizens and the Town share in costs.

Critical Success Factor: Building and Maintaining the Town's Infrastructure and Assets

1. The Town's investment in technology, parks and buildings is cared for through proper maintenance and improvements.

Goal: The number of business days required to complete the ROW mowing cycle has reduced.

Performance Measure(s):

Right-of-way Mowing Cycle

Projects:

- Modify ROW mowing log to show start and end date of cycle.

Goal: The number of business days required to complete the park maintenance cycle has reduced.

Performance Measure(s):

Parks Maintenance Cycle

Projects:

- Modify Parks Maintenance log to reflect start and end date of cycle.

Goal: The total cost for vehicle maintenance has reduced.

Performance Measure(s):

Vehicle Maintenance Cost

Projects:

- Design tracking mechanism to separate in-house repair costs from outsourced repairs.
- Document the scheduling and tracking process in field manual.

Goal: The number of calendar days required to complete park safety repairs are has reduced.

Performance Measure(s):

Park Safety Repairs

Other Projects & Initiatives:

- Develop and Draft a Public Works field manual
- Develop and document a training program for new and continuing employees
- Conduct monthly safety and customer service training with employees
- Continue implementing the Town's Reflectivity Sign Replacement Program
- To help increase visual appeal and create theme areas, add trees and shrubs to certain informal areas of greenways and trails
 - Daffodils at Campbell Station Road
 - Daylilies at Outdoor Classroom and I-40/Campbell Station Road interchange
- Prepare bid specifications for a wood-chipper, three pick-up trucks, and all-terrain utility vehicle as part of the Capital Equipment Replacement Program
- Enhance the Christmas Tree Lighting experience
- Improve town facilities to comply with ADA regulations
- Assist with modifications and improvement plans to the Campbell Station Inn and develop a maintenance plan for the site and restroom facility
- Assist with renovation work at Anchor Park for the new restroom facility
- Evaluate and compare vendor pricing for cleaning supplies, and identify opportunities for savings

- Seek out and identify possible sidewalk and greenway connections to enhance the town's pedestrian network and walkability
- Reconstruct sand and stone holding facilities at Public Works Headquarters
- Develop and implement a cleaning and maintenance program for Farragut Community Center
- Install finish on bathroom floors at Mayor Bob Leonard Park
- Prepare bid specifications for Campbell Station Road Wall manage the project to completion
- Assist with replacement and improvements to town stormwater infrastructure
- Install sidewalk on Sugarwood Drive

Public Works Department

	PUBLIC WORKS DESCRIPTION	FY2016-17	FY2017-18	FY2018-19	FY2018-19	FY2019-20
43000	EXPENDITURES	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
110	Salaries	87,813	89,529	93,133	93,127	96,859
111	Regular Employee Wages	678,999	755,629	809,679	760,823	806,545
122	Seasonal Employee Wages	26,205	27,700	25,000	25,000	25,000
123	Overtime Wages	11,587	14,526	15,000	15,000	15,000
129	Temporary Employee Wages	462	2,967	0	0	0
141	FICA/Medicare	55,444	61,318	58,467	59,480	60,049
142	Health Insurance	328,489	312,634	317,492	310,280	353,074
143	Retirement	54,207	58,791	63,038	61,152	65,528
145	Life Insurance	3,225	3,163	4,059	4,392	4,774
146	Workers Comp Insurance	29,759	27,729	31,500	32,525	33,000
148	Long Term Disability Insurance	3,608	2,846	4,066	4,206	3,995
150	Benefit Disbursement	4,646	0	5,500	5,694	5,700
152	Merit Adjustment	18,000	26,638	39,703	29,980	41,037
	Total Personnel	1,302,444	1,383,470	1,466,637	1,401,659	1,510,560
235	Dues/Subscriptions	1,085	1,269	1,400	1,400	1,400
240	Utilities	10,809	10,781	12,000	11,735	12,000
241	Traffic Signal-Electric	6,813	6,724	7,500	6,858	7,500
247	Streetlights-Electric	70,106	68,138	70,000	70,000	70,000
261	Vehicle Maintenance	45,833	29,824	40,000	35,000	38,000
263	Event Decoration	15,774	15,844	0	0	15,000
265	Boundary Entrance Signs	5,243	0	4,000	25	0
266	Bldg. Maint. /Improvements	10,848	3,202	12,000	11,000	12,000
280	Travel/Training	8,153	6,923	8,000	8,500	10,000
290	Street sweeping	23,850	24,300	26,000	26,000	42,500
294	Equipment Rental	4,497	3,380	4,500	4,500	4,500
295	Dumpster Service	5,902	6,224	8,000	8,000	8,000
312	Small tools & Equipment	5,320	4,773	5,000	5,000	5,000
320	Operating Supplies	4,990	4,853	5,000	5,000	5,000
321	General Town Maintenance	6,713	7,645	10,000	6,000	10,000
326	Clothing/Uniforms	13,681	14,851	14,000	12,000	12,000
329	Park & Landscape Maintenance	38,606	61,380	55,000	50,000	55,000
331	Gasoline, Oil	30,553	38,175	35,000	40,000	45,000
342	Signs	18,641	19,462	17,000	17,000	17,000
416	Concrete, Brick Products	319	196	1,000	1,000	1,000
451	Crushed Stone, Sand	288	537	2,000	2,000	2,500
452	Snow Removal Supplies	10,061	10,054	18,000	12,000	18,000
470	Sidewalk Construction	315	4,197	10,000	8,000	10,000
482	Drainage Projects	6,871	3,171	10,000	5,000	10,000
940	ADA Maintenance	0	80	50,000	50,000	0
949	Major Equipment/Machinery	8,982	1,442	10,000	10,000	10,000
	Total Operating Expenditures	354,253	347,425	435,400	406,018	421,400
	Total Public Works	1,656,697	1,730,895	1,902,037	1,807,677	1,931,960

Public Works Department

Personnel Detail

Acct Code	Description		<u>Budget</u> <u>FY2017-18</u>		<u>Estimated</u> <u>FY2018-19</u>		<u>Approved</u> <u>FY2019-20</u>
110	Salaries						
	Public Works Director	1.0	90,403	1.0	93,127	1.0	96,859
	Total Salaries	1.0	90,403	1.0	93,127	1.0	96,859
121	Regular Wages						
	Public Works Foreman	2.0	94,765	2.0	98,592	2.0	102,544
	Equipment Operator	16.0	672,644	18.0	662,231	18.0	704,001
	Total	18.0	767,409	20.0	760,823	20.0	806,545
122	Seasonal	3.0	25,000	3.0	25,000	3.0	25,000
	Total	3.0	25,000	3.0	25,000	3.0	25,000
	Benefits						
	Social Security & Medicare						
141	Tax		57,483		59,480		60,049
142	Health Insurance		390,041		310,280		353,074
143	Retirement		60,842		61,152		65,528
145	Life Insurance		4,578		4,392		4,774
146	Workers Comp Insurance		31,000		32,525		33,000
	Long Term Disability						
148	Insurance		3,737		4,206		3,994
151	COLA		19,462		0		0
	Total Benefits		567,143		472,035		520,419
152	Merit Adjustment		29,192		29,980		41,037
	Other Compensation						
123	Overtime		15,000		15,000		15,000
	Benefit Adjustment		5,500		5,694		5,700
	Total Other Compensation		20,500		20,694		20,700
Total Personnel		23.0	1,499,647	24.0	1,401,659	24.0	1,510,560

Public Works 110-43000

235 Dues, Subscriptions		\$1,400
APWA Membership	800	
Optimist Club (Director)	600	
240 Utilities		\$12,000
Public Works building gas, water/sewer, electric, irrigation		
241 Traffic Signal–Electric		\$7,500
21 signals & 6 school & traffic flashers		
247 Street Lighting – Electric		\$70,000
Electricity for town-owned streetlights		
261 Vehicle Maintenance		\$38,000
Maintenance of all vehicles and equipment:		
Engineering	3,000	
Community Development	1,000	
Leisure Services	1,000	
Public Works	33,000	
263 Event Decorations		\$15,000
266 Building Maintenance		\$12,000
Building maintenance	3,000	
Dimmick House Maintenance	1,000	
Campbell Station Inn Maintenance	1,000	
MBLP Maintenance	7,000	
280 Travel/Training		\$10,000
American Public Works Association	2,400	
State Chapter of American Public Works Association (3)	3,000	
Employee Training	3,500	
Stormwater Certifications	1,100	
290 Street Sweeping		\$42,500
Monthly sweeping of major roads and parking lots at the Parks and Town Hall		
294 Equipment Rental		\$4,500
Rentals of special equipment		
295 Dumpster Services		\$8,000
Contract for all buildings and parks and an additional dumpster at Public Works		
312 Small Tools & Equipment		\$5,000

Hand tools, weed eaters, chainsaws, wrenches, etc.	
320 Operating Supplies	\$5,000
Safety equipment, janitorial supplies and business cards	
321 General Town Maintenance	\$10,000
Services that are contracted out for maintenance	
326 Clothing and Uniforms	\$12,000
Uniforms and boots for employees	
329 Landscape Maintenance	\$55,000
Town Parks and Building Landscape Maintenance	
Anchor Park-General repairs, mulch, sand, rip rap for pond, flowers	
Campbell Station Park-General repairs, mulch, flowers	
Mayor Bob Leonard Park-General repairs, mulch, sand, lights, irrigation system	
McFee Park-General repairs, mulch, sand, lights, irrigation systems	
I-40 Interchange and ROW Landscaping	
331 Gasoline	\$45,000
Public Works vehicles and equipment	
342 Signs	\$17,000
Street signage, regulatory and informational signs	
416 Concrete, Brick Products	\$1,000
Curb and sidewalk repairs	
451 Crushed stone, sand	\$2,500
Mortar, sand, playground sand, stone backfill	
452 Snow Removal Supplies	\$18,000
Salt, sand, calcium for snow removal	
470 Sidewalk Constructions	\$10,000
Various sidewalk connections throughout the Town	
482 Draining Projects	\$10,000
Various drainage projects throughout the Town	
949 Major Equipment/Machinery	\$10,000
Replacement of Mortar mixers, pumps, curb machine, etc.	

Non-Departmental

		FY2016-17	FY2017-18	FY2018-19	FY2018-19	FY2019-20
44000	NON-DEPARTMENTAL DESCRIPTION	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
252	Legal Services	109,616	102,445	140,000	98,000	120,000
510	Property Insurance	32,637	31,726	50,000	35,919	50,000
513	Liability Insurance	43,571	40,754	55,000	45,000	55,000
514	Insurance Claims	11,721	-10,385	8,000	2,000	8,000
518	Knox Co Mixed Drink Installment	112,630	127,995	100,000	112,380	100,000
720	Community Grants					
	Farragut High School Foundation	10,000	12,000	12,000	12,000	12,000
	Knox County Fire Prevention	2,000	2,000	1,500	1,500	1,500
	Knox Vol Emergency Rescue	2,500	2,500	3,000	3,000	4,200
	Metro Drug Coalition	0	2,500	3,000	3,000	3,700
	CAC	0	0	10,000	0	10,000
	Autism Society	2,000	2,000	0	0	2,000
	Keep Knoxville Beautiful	1,000	1,500	1,000	1,000	0
	Second Harvest	2,385	2,500	2,500	2,500	0
	Knoxville Track Club	0	2,000	3,000	3,000	0
	Concord Adult Day Care	0	3,000	1,500	1,500	0
	East Tennessee Concert Band	2,000	1,000	0	0	0
	Sunshine Ambassadors	1,500	1,000	0	0	0
	Knoxville Opera	2,000	1,000	0	0	0
	Hardin Valley Academy Foundation	10,000	0	0	0	0
721	Park-n-Ride Lot	3,000	3,750	3,000	3,000	3,000
722	Community School Grants					
	Farragut Primary School	22,000	22,000	22,000	22,000	22,000
	Farragut Intermediate School	22,000	22,000	22,000	22,000	22,000
	Farragut Middle School	22,000	22,000	22,000	22,000	22,000
	Farragut High School	22,000	22,000	22,000	22,000	22,000
	Hardin Valley Academy	22,000	0	0	0	0
	Total	458,560	417,285	481,500	411,799	457,400

Non-Departmental 110-44000

252 Legal Services	\$120,000
510 Property Insurance	\$50,000
513 Liability Insurance	\$55,000
514 Insurance Claims	\$8,000
518 Mixed Drink Tax Revenue Payable	\$100,000
720 Community Grants	\$33,400
Farragut High School Education Foundation	12,000
Knox County Fire Prevention Bureau	1,500
Knoxville Volunteer Emergency Rescue Squad	4,200
Metro Drug Coalition	3,700
CAC	10,000
Autism Society	2,000
721 Park-n-Ride	\$3,000
Park-n-Ride Lot	
722 Community School Grants	\$88,000
Farragut Primary School	22,000
Farragut Intermediate School	22,000
Farragut Middle School	22,000
Farragut High School	22,000

Community Center

		FY2016-17	FY2017-18	FY2018-19	FY2018-19	FY2019-20
		<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
44200	COMMUNITY CENTER-SHARED					
219	Security System	0	0	0	2,000	5,000
240	Utilities	0	0	0	35,000	65,000
248	Inspections & Elevator Maint.	0	0	0	0	3,520
249	HVAC Maintenance				35,000	12,000
266	Shared Space Maintenance	0	0	0	0	0
294	Equipment Rental	0	0	0	0	400
295	Dumpster Service	0	0	0	0	900
329	Landscape Maintenance	0	0	0	0	26,000
342	Signs	0	0	0	0	25,000
510	Property Insurance	0	0	0	0	15,000
513	Liability Insurance	0	0	0	0	10,000
		0	0	0	72,000	162,820
		FY2016-17	FY2017-18	FY2018-19	FY2018-19	FY2019-20
		<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
44300	COMMUNITY CENTER-TOF					
	Janitor (1.5 positions)	0	0	0	0	36,750
	Recreation Assistants	0	0	0	0	26,238
221	Advertisement/Printing	0	0	0	0	10,000
254	Professional Services	0	0	0	0	26,000
266	Building Maintenance	0	0	0	0	2,800
280	Travel/Training	0	0	0	0	400
312	Small tools & Equipment	0	0	0	0	2,400
320	Operating Supplies	0	0	0	0	30,000
326	Clothing/Uniforms	0	0	0	0	300
342	Signs	0	0	0	0	2,000
362	Programs	0	0	0	0	12,300
	Total	0	0	0	0	149,188
	Total Community Center	0	0	0	72,000	312,008

Community Center

44200 Community Center-Shared

219 Security System	\$5,000
240 Utilities	\$65,000
248 Inspections & Elevator Maintenance	\$3,520
249 HVAC Maintenance	\$12,000
294 Equipment Rental	\$400
295 Dumpster Service	\$900
329 Landscape Maintenance	\$26,000
342 Signs	\$25,000
510 Property Insurance	\$15,000
513 Liability Insurance	\$10,000

44300 Community Center-TOF

221 Advertising/Printing	\$10,000
254 Professional Services	\$26,000
266 Building Maintenance	\$2,800
280 Travel/Training	\$400
312 Small tools & Equipment	\$2,400
320 Operating Supplies	\$30,000
326 Clothing & Uniforms	\$300
342 Signs	\$2,000
362 Programs	\$12,300

Economic Development

		FY2016-17	FY2017-18	FY2018-19	FY2018-19	FY2019-20
47200	ECONOMIC DEVELOPMENT	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
221	Advertisement/Printing	371	1,056	2,000	1,000	2,000
254	Professional Services Economic Development	95,500	88,000	88,000	88,000	88,000
259	Partnerships	11,104	64,104	41,500	41,500	35,000
280	Travel/Training	2,983	640	2,500	1,250	2,000
	Total	109,958	153,800	134,000	131,750	127,000

Economic Development 110-47200

221 Advertising/Printing		\$2,000
254 Professional Services		\$88,000
Farragut West Knox Chamber of Commerce	18,000	
Farragut Business Alliance	70,000	
259 Economic Development Partnerships		\$35,000
Dogwood Arts Festival	10,000	
News Sentinel Golf Tournament	15,000	
Innovation Valley	10,000	
280 Travel/Training		\$2,000
ICSC Conference (1)		

Other Funding Sources

		FY2016-17	FY2017-18	FY2018-19	FY2018-19	FY2019-20
	Other Financing Sources	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
51500						
600	Assigned Fund Balance					
	Road Fund	93,253	0	0	0	0
	Building Fund	104,817	0	0	0	0
		104,817	0	0	0	0
51600	Transfer to other funds					
760	ADA Capital Budget	0	0	0	0	150,000
765	Equipment Fund	150,000	150,000	150,000	150,000	175,000
767	State Street Aid	93,253	200,000	100,000	100,000	0
771	Capital Fund	3,105,000	4,000,000	3,500,000	3,500,000	7,250,000
		3,348,253	4,350,000	3,750,000	3,750,000	7,575,000

Capital Investment Program

PROJECTS BY DEPARTMENT	Capital Investment Program-310					
Beginning Balance	11,046,347	4,450,347	5,720,347	6,270,347	7,129,347	
General Government Projects	FY2020	FY2021	FY2022	FY2023	FY2024	Total
Land Acquisition	0	300,000	300,000	300,000	300,000	1,200,000
Pedestrian/Greenway Connectors	0	100,000	0	0	100,000	200,000
Smith Road Sidewalk	650,000	0	0	0	0	650,000
Little Turkey Creek Greenway	130,000	0	300,000	0	0	430,000
Community Center	425,000					425,000
Campbell Station Wall	200,000					200,000
Campbell Station Inn Improvements	0	250,000		0	0	250,000
General Government Projects Total	1,405,000	650,000	600,000	300,000	400,000	3,355,000
Parks	FY2020	FY2021	FY2022	FY2023	FY2024	Total
McFee Park Expansion	8,000,000	0	0	0	0	8,000,000
MBLP Improvements (turf fields)	0	0	0	500,000	0	500,000
Anchor Park Fence	0	0	0	150,000	0	150,000
Anchor Park Basketball Resurfacing & ADA Access/Parking	0	0	0	0	40,000	40,000
Anchor Park Playground	0	0	0	0	415,000	415,000
MBLP Boardwalk/Overlook Replacement	0	0	0	50,000	0	50,000
Parks Total	8,000,000	0	0	700,000	455,000	9,155,000


Capital Investment Program

Engineering Projects	FY2020	FY2021	FY2022	FY2023	FY2024	Total
Stormwater Improvements	750,000	100,000	100,000	100,000	100,000	1,150,000
Union Road Improvements	500,000	0	3,520,000	0	0	4,020,000
Signal System Upgrade (CMAQ)	6,710,000	0	0	0	0	6,710,000
Virtue Road-Phase I (KP-Harville)	3,900,000	0	0	0	0	3,900,000
Virtue Road-Phase II (Harville-Turkey Creek)	0	0	330,000	305,000	925,000	1,560,000
Jamestowne Blvd Study	80,000		0	0	0	80,000
Engineering Total	11,940,000	100,000	3,950,000	405,000	1,025,000	17,420,000
CIP Expenditure Total	21,345,000	750,000	4,550,000	1,405,000	1,880,000	29,930,000

Capital Investment Fund

Funding Sources	FY2020	FY2021	FY2022	FY2023	FY2024	Total
L-STBG Funding (Jamestowne Blvd)	64,000	0	0	0	0	64,000
L-STBG Funding (Virtue Road)	0	0	264,000	244,000	740,000	1,248,000
L-STBG Funding (Union Road)	400,000	0	2,816,000			3,216,000
CMAQ Funding	6,610,000	0	0	0	0	6,610,000
LPRF Grant (Anchor Park)	325,000	0	0	0	0	325,000
Interest Earnings	100,000	20,000	20,000	20,000	20,000	180,000
Transfer from General Fund	7,250,000	2,000,000	2,000,000	2,000,000	2,000,000	15,250,000
Greenway Connector Reserves	300,000	0	0	0	0	300,000
Land Acquisition Reserves	1,300,000	0	0	0	0	1,300,000
CIP Reserves	4,996,000	0	0	0	15,000	5,011,000
Funding Total	21,345,000	2,020,000	5,100,000	2,264,000	2,775,000	33,504,000
Total CIP Funding Sources	21,345,000	2,020,000	5,100,000	2,264,000	2,775,000	33,504,000
Total CIP Expenditures	21,345,000	750,000	4,550,000	1,405,000	1,880,000	29,930,000
Revenue over (under) expenditures	0	1,270,000	550,000	859,000	895,000	
Ending Balance	4,450,347	5,720,347	6,270,347	7,129,347	8,009,347	
Assigned Fund Balance						
Greenway Connectors	58,890	58,890	158,890	158,890	158,890	
Land Acquisition	358,072	358,072	658,072	958,072	1,258,072	
Stormwater Projects	0	750,000	850,000	950,000	1,050,000	
Outstanding Projects	3,090,966	3,090,966	3,090,966	3,090,966	3,090,966	
Total Assigned Balance	3,507,928	4,257,928	4,757,928	5,157,928	5,557,928	
Available Fund Balance	942,419	1,462,419	1,512,419	1,971,419	2,451,419	

TOWN OF FARRAGUT CAPITAL INVESTMENT PROGRAM							
RESPONSIBLE DEPARTMENT		PROJECT TITLE		PROJECT MANAGER	ACCOUNT NO.		
Administration		Land Acquisition			310-43990		
PROJECT DESCRIPTION Includes the purchase of easements, right-of-way, and land for parks, road, and other capital improvement projects.							
BACKGROUND/HISTORY							
IMPACT ON OPERATING BUDGET							
Project Costs		FY2020	FY2021	FY2022	FY2023	FY2024	Total
Land/Right of Way							
Design/Engineering							
Utility Relocation							
Construction							
Landscaping							
Equipment/Furnishings							
Property		\$0	\$300,000	\$300,000	\$300,000	\$300,000	\$1,200,000
Total Cost		\$0	\$300,000	\$300,000	\$300,000	\$300,000	\$1,200,000
Source of Funds		FY2020	FY2021	FY2022	FY2023	FY2024	Total
CIP		\$0	\$300,000	\$300,000	\$300,000	\$300,000	\$1,200,000
Bonds							
Other							
Total Source		\$0	\$300,000	\$300,000	\$300,000	\$300,000	\$1,200,000






TOWN OF FARRAGUT CAPITAL INVESTMENT PROGRAM							
Project No. 18-04		PROJECT TITLE		PROJECT MANAGER		ACCOUNT NO.	
RESPONSIBLE DEPARTMENT							
Engineering		Smith Road Sidewalk (Everett Road to Andover Blvd.)					
Darryl Smith		310-43910-930					
PROJECT DESCRIPTION							
This project includes construction of pedestrian facilities along the north side of Smith Road, from Everett Road to Andover Boulevard. The project requires construction of 5' sidewalk with curb & gutter from Everett Road to app. 800 feet west of Andover Boulevard, then across the Andover Place Open Space to Andover Boulevard.							
BACKGROUND/HISTORY							
The connection will complement the recently completed Everett Road improvements by providing a connection from the Everett Road corridor to the Town's pedestrian facilities east of Andover (including sidewalks along Smith Road, Grigsby Chapel Road and the Grigsby Chapel Greenway).							
IMPACT ON OPERATING BUDGET							
Additional costs for maintenance (\$1500 per year) and resurfacing (\$20,000/20-year).							
Project Costs		FY2020	FY2021	FY2022	FY2023	FY2024	Total
Land/Right of Way							\$0
Design/Engineering							\$0
Utility Relocation							\$650,000
Construction		\$650,000					\$0
Landscaping							\$0
Equipment/Furnishings							\$0
Other							\$0
Total Cost		\$650,000	\$0	\$0	\$0	\$0	\$650,000
Source of Funds		FY2020	FY2021	FY2022	FY2023	FY2024	Total
CIP		\$650,000	\$0				\$650,000
Bonds							
Other							
Total Source		\$650,000	\$0	\$0	\$0	\$0	\$650,000
Project Schedule		Start		Finish			
Land/Right of Way		Jul-19		Jan-20			
Design/Engineering		Oct-17		Jul-19			
Utility Relocation		May-20		Dec-20			
Construction		Oct-17		Dec-20			
Total Project		Oct-17		Dec-20			




TOWN OF FARRAGUT CAPITAL INVESTMENT PROGRAM							
PROJECT NO. ENG 19-01		PROJECT TITLE		PROJECT MANAGER		ACCOUNT NO.	
RESPONSIBLE DEPARTMENT Engineering		Little Turkey Creek Greenway		Darryl Smith		310-43910-940	
PROJECT DESCRIPTION							
This project includes construction of a greenway through the Brookmere Development on Virtue Road (Harville tract). This portion of the greenway will be constructed by the subdivision's developers. The project will begin at the the southern side of the Virtue Road Bridge over Little Turkey Creek, and extend across the property to a point on the southeastern side of the creek at the southern side of the Brookmere development.							
BACKGROUND/HISTORY							
The upcoming (2020) Virtue Road improvements project will include a multi-use greenway on the eastern side of Virtue Road, extending from south of Kingston Pike to just south of the bridge over Little Turkey Creek. This project extends that greenway across the Brookmere development. Project costs reflect the Town's participation in construction costs. A future project will eventually extend this greenway from the southern terminus to the Sheffield greenway near Vista Subdivision.							
IMPACT ON OPERATING BUDGET							
Additional costs for maintenance (\$1500 per year) and resurfacing (\$20,000/20 years)							
Project Costs		FY2020	FY2021	FY2022	FY2023	FY2024	Total
PE/Design							\$0
PE/NEPA (Environmental)							\$0
Utility Relocation							\$0
Construction		\$130,000		\$300,000			\$430,000
Landscaping							\$0
Equipment/Furnishings							\$0
Other							\$0
Total Cost		\$130,000	\$0	\$300,000	\$0	\$0	\$430,000
Source of Funds		FY2020	FY2021	FY2022	FY2023	FY2024	Total
CIP		\$130,000		\$300,000			\$300,000
Bonds							
Other (Developer)		\$0					\$0
Total Source		\$130,000	\$0	\$300,000	\$0	\$0	\$430,000
				Project Schedule		Start	Finish
				Land/Right of Way			
				NEPA/Design			
				Utility Relocation			
				Construction		Jul-19	TBD
				Total Project			

Project No. TOWN OF FARRAGUT CAPITAL INVESTMENT PROGRAM							
RESPONSIBLE DEPARTMENT		PROJECT TITLE		PROJECT MANAGER		ACCOUNT NO.	
Parks & Recreation		Community Center		Sue Stuhl		310-44300-900	
PROJECT DESCRIPTION							
Includes construction, renovation and furniture, fixtures and equipment.							
BACKGROUND/HISTORY							
IMPACT ON OPERATING BUDGET							
<div><div></div><div></div></div>							
Project Costs		FY2020	FY2021	FY2022	FY2023	FY2024	Total
Land/Right of Way							
Design/Engineering							
Utility Relocation							
Construction		\$250,000					\$250,000
Landscaping							
Equipment/Furnishings		\$175,000					\$175,000
Other							
Total Cost		\$425,000	\$0	\$0	\$0	\$0	\$425,000
Source of Funds		FY2020	FY2021	FY2022	FY2023	FY2024	Total
CIP		\$425,000					\$425,000
Bonds							
Other							
Total Source		\$425,000	\$0	\$0	\$0	\$0	\$425,000
Project Schedule		Start		Finish			
Land/Right of Way							
Design/Engineering							
Utility Relocation							
Construction		May-19		Dec-19			
Total Project		May-19		Dec-19			


Project No. TOWN OF FARRAGUT CAPITAL INVESTMENT PROGRAM							
RESPONSIBLE DEPARTMENT		PROJECT TITLE	PROJECT MANAGER		ACCOUNT NO.		
Public Works		Campbell Station wall	Bud Mckelvey		310-43400-900		
PROJECT DESCRIPTION Involves construction for façade repairs.							
BACKGROUND/HISTORY							
IMPACT ON OPERATING BUDGET							
Project Costs		FY2020	FY2021	FY2022	FY2023	FY2024	Total
Land/Right of Way							
Design/Engineering							
Utility Relocation							
Construction		\$200,000					\$200,000
Landscaping							
Equipment/Furnishings							
Other							
Total Cost		\$200,000	\$0	\$0	\$0	\$0	\$200,000
Source of Funds		FY2020	FY2021	FY2022	FY2023	FY2024	Total
CIP		\$200,000					\$200,000
Bonds							
Other							
Total Source		\$200,000	\$0	\$0	\$0	\$0	\$200,000
Total Project							





Project No. 20-01 TOWN OF FARRAGUT CAPITAL INVESTMENT PROGRAM							
RESPONSIBLE DEPARTMENT		PROJECT TITLE		PROJECT MANAGER		ACCOUNT NO.	
PARD		McFee Park Phase 3		PARD/Eng.		310-43934	
PROJECT DESCRIPTION							
Includes 4 tennis courts, tennis facility parking, tennis facility restroom, and basketball court.							
BACKGROUND/HISTORY							
The master plan for the expansion of McFee Park into the old Seal and Dimmick properties was approved in the summer of 2012. This would be the first phase of that future expansion after numerous options have been presented over the past two years.							
IMPACT ON OPERATING BUDGET							
Annual expenditures for supplies, utilities and staffing for grounds, tennis court and restroom(s) maintenance. Will also require part-time staffing for events and small pickleball tournaments. Revenue from pavilion and special event rentals plus hourly court rentals and tournaments.							
Project Costs		FY2020	FY2021	FY2022	FY2023	FY2024	Total
Land/Right of Way							\$0
Design/Engineering							
Utility Relocation							
Construction		\$8,000,000					\$8,000,000
Landscaping							
Equipment/Furnishings							
Other							
Total Cost		\$8,000,000	\$0	\$0	\$0	\$0	\$8,000,000
Source of Funds		FY2020	FY2021	FY2022	FY2023	FY2024	Total
CIP		\$8,000,000					\$8,000,000
Bonds							
Other							
Total Source		\$8,000,000	\$0	\$0	\$0	\$0	\$8,000,000
							
Project Schedule				Start	Finish		
Land/Right of Way							
Design/Engineering					Fall 2019		
Utility Relocation							
Construction				Winter 2020	Winter 2021		
Total Project							

Project No. ENG-16-07		TOWN OF FARRAGUT CAPITAL INVESTMENT PROGRAM					
RESPONSIBLE DEPARTMENT		PROJECT TITLE		PROJECT MANAGER	ACCOUNT NO.		
Engineering		Union Road Improvements		Darryl Smith	310-43983		
PROJECT DESCRIPTION							
This project includes reconstruction of Union Road from Everett Road to Hobbs Road, and Hobbs Road to Kingston Pike. The improvements will include two 11' lanes with curb & gutter and shared-use path, as well as reconstruction of the existing bridge over Little Turkey Creek.							
BACKGROUND/HISTORY							
The existing roadway is currently only 16 feet wide, with no pedestrian/bike accommodations. Reconstruction to two 11' lanes will greatly enhance safety for all motorists.							
IMPACT ON OPERATING BUDGET							
Additional cost for Maintenance and Electricity for Operation app. \$5000							
Project Costs		FY2020	FY2021	FY2022	FY2023	FY2024	Total
Land/Right of Way		\$500,000					\$500,000
Design/Engineering							\$0
Utility Relocation							
Construction				\$3,520,000			\$3,520,000
Landscaping							
Equipment/Furnishings							
Other							
Total Cost		\$500,000	\$0	\$3,520,000	\$0	\$0	\$4,020,000
Source of Funds		FY2020	FY2021	FY2022	FY2023	FY2024	Total
CIP		\$100,000		\$704,000			\$804,000
Bonds							
Other		\$400,000		\$2,816,000			\$3,216,000
Total Source		\$500,000	\$0	\$3,520,000	\$0	\$0	\$4,020,000
		Project Schedule		Start		Finish	
		Land/Right of Way		May-20		Jun-21	
		Design/Engineering		Mar-17		May-20	
		Utility Relocation		Jan-22		Apr-23	
		Construction		Mar-17		Apr-23	
		Total Project					





Project No. 18-03 TOWN OF FARRAGUT CAPITAL INVESTMENT PROGRAM							
RESPONSIBLE DEPARTMENT		PROJECT TITLE		PROJECT MANAGER	ACCOUNT NO.		
Engineering		Virtue Road - 2200 feet south of Broadwood Drive to 700 feet south of Kingston Pike		Darryl Smith	310-43984		
PROJECT DESCRIPTION							
This project includes reconstruction of Virtue Road, from 2200 feet south of Broadwood Drive to 700 feet south of Kingston Pike (approximately 3700 linear feet). The project is currently being designed to include two 11' lanes, with curb & gutter, 6' grass strip, and 8' greenway on the east side of the roadway.							
BACKGROUND/HISTORY							
The Board identified improvements to Virtue Road as a priority in March. Improvements to the northern 700 feet were completed in 2000, and the intersection with Kingston Pike was signalized in 2016. This portion of Virtue Road can be completed now, in anticipation of development of the Harville tract.							
IMPACT ON OPERATING BUDGET							
Increased maintenance costs for greenway (\$1500 per year), drainage structures (\$500 per year), additional area requiring resurfacing (\$2500 per year)							
Project Costs		FY2020	FY2021	FY2022	FY2023	FY2024	Total
Land/Right of Way							
Design/Engineering							
Utility Relocation							
Construction		\$3,900,000					\$3,900,000
Landscaping							
Equipment/Furnishings							
Other							
Total Cost		\$3,900,000	\$0	\$0	\$0	\$0	\$3,900,000
Source of Funds		FY2020	FY2021	FY2022	FY2023	FY2024	Total
CIP		\$3,900,000	\$0				\$3,900,000
Bonds							
Other							
Total Source		\$3,900,000	\$0	\$0	\$0	\$0	\$3,900,000
Project Schedule				Start	Finish		
Land/Right of Way				Jan-18	Nov-19		
Design/Engineering				Jan-18	Mar-19		
Utility Relocation							
Construction				May-20	Jun-21		
Total Project				Dec-17	Jun-21		

TOWN OF FARRAGUT CAPITAL INVESTMENT PROGRAM																																																																					
Project No. ENG 19-03		PROJECT TITLE		PROJECT MANAGER	ACCOUNT NO.																																																																
RESPONSIBLE DEPARTMENT		Jamestowne Boulevard Study																																																																			
Engineering		Darryl Smith																																																																			
PROJECT DESCRIPTION																																																																					
Traffic/Transportation Study to determine viability and justification for improvements to Jamestowne Boulevard, from Kingston Pike to Campbell Station Road																																																																					
BACKGROUND/HISTORY																																																																					
Traffic signals at each end of Jamestowne Boulevard (at Kingston Pike and Campbell Station Road) with lane improvements will provide an efficient alternate route around the KP/CSR intersection. Additional benefits will be improved access to the Town's Community Center, including crosswalks on Kingston Pike and Campbell Station Road. L-STBG funding is pending approval by KRTPO. If this study justifies the need for improvements, staff will submit the project to KRTPO for future TIP.																																																																					
IMPACT ON OPERATING BUDGET																																																																					
N/A																																																																					
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State Street Aid Fund

The Tennessee Legislature has authorized the state to distribute a portion of proceeds from the state gasoline and motor vehicle fuel tax to incorporated cities and towns to use for maintaining and improving municipal streets. The proceeds from these taxes are paid monthly to local governments on a per capita basis. The law requires that gasoline and motor vehicle fuel tax monies be used for street-related purposes. The law further requires that these funds be accounted for separately in a special revenue fund, commonly called the State Street Aid Fund or Gas Tax Fund. Cities may ask permission from the state comptroller's office to account for these funds in the General Fund if certain requirements are met. Finally, the law also provides some very specific examples of how these funds can and cannot be spent.

State Street Aid Fund

	2016-2017	2017-2018	2018-2019	2018-2019	2019-2020
	<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
Beginning Balance	1,094,149	1,438,059	1,790,415	1,790,415	1,228,415
Revenues					
State Gasoline & Motor Fuel	624,491	751,888	791,000	810,000	850,000
Interest Earnings	5,403	17,759	500	35,000	15,000
Revenue Total	629,894	769,647	791,500	845,000	865,000
Expenditures					
Street Maintenance	38,475	102,362	60,000	115,000	75,000
Resurfacing	299,447	466,983	1,354,624	1,320,000	650,000
Street Striping	26,848	34,761	45,000	45,000	50,000
Guardrails	12,325	0	15,000	5,000	15,000
Traffic Calming	0	7,931	18,000	7,000	25,000
Sidewalks/Greenways	2,142	5,254	50,000	15,000	50,000
Expenditure Total	379,237	617,291	1,542,624	1,507,000	865,000
Other Funding Sources					
Transfer from General Fund	93,253	200,000	100,000	100,000	0
Total Transfers in	93,253	200,000	100,000	100,000	0
Revenue over (under) expenditures	343,910	352,356	-651,124	-562,000	0
Ending Balance	1,438,059	1,790,415	1,139,291	1,228,415	1,228,415

State Street Aid Descriptions-121

Gasoline and Motor Fuel State Shared Taxes	\$850,000
Local share of state gasoline and motor fuel taxes comprising the Gasoline Tax, Diesel Tax and Liquefied Tax on vehicles. Compresses Natural Gas Tax, and the Prepaid User Diesel Tax. The Town receives \$35 per capita, monthly.	
Street Maintenance	\$75,000
Maintenance of local street potholes, failures and patches.	
Resurfacing	\$650,000
Resurfacing of Town of Farragut streets not maintained by the Tennessee Department of Transportation.	
Street Striping	\$50,000
Re-striping of local streets as needed.	
Guardrails	\$15,000
Replacement and addition of guardrails where needed.	
Traffic Calming	\$25,000
Sidewalk/Greenways	\$50,000
Sidewalk and greenway maintenance and repair.	

Equipment Replacement Fund

		FY2016-17	FY2017-18	FY2018-19	FY2018-19	FY2019-20
		<u>Actual</u>	<u>Actual</u>	<u>Budget</u>	<u>Estimate</u>	<u>Approved</u>
	Beginning Balance	647,153	751,978	791,926	791,926	907,254
314	Revenues					
36190	Interest	3,301	8,546	3,000	16,500	8,000
36200	Sale of equipment Proceeds	62,084	25,243	0	5,978	0
	Total Revenues	65,385	33,789	3,000	22,478	8,000
	Other Funding Sources					
37940	Transfer from General Fund	150,000	150,000	150,000	150,000	175,000
	Total Other Funding Sources	150,000	150,000	150,000	150,000	175,000
	Expenditures					
43949						
949	Major Equipment	110,560	143,841	62,000	57,150	192,000
	Total Expenditures	110,560	143,841	62,000	57,150	192,000
	Revenue over (under) expenditures	104,825	39,948	91,000	115,328	-9,000
	Ending Balance	751,978	791,926	882,926	907,254	898,254

Equipment Replacement Fund

Capital Equipment Replacement Schedule							
Fiscal Years 2020-2024							
Description	Purchase Date	Original Cost	fy 19-20	fy 20-21	fy 21-22	fy 22-23	fy 23-24
Community Development							
2007 Chevy Colorado Ext Cab	12/5/2006	14,280		26,000			
2008 Ford Escape Hybrid	9/15/2008	20,014		35,000			
2010 Ford Escape Hybrid	2/23/2010	27,744		35,000			
2019 GMC Canyon	11/18/2018	22,740				26,000	
Leisure Services							
2005 Ford Freestar Van	11/8/2004	19,380		28,000			
2016 Ford F-150	8/14/2015	19,720				28,000	
2007 Chevy Colorado 4WD	11/1/2006	18,221		25,000			
Engineering							
2003 Chevy Blazer	11/15/2002	21,570		32,000			
2005 Ford 4-wd w/ plow	9/8/2004	22,998		34,000			
2008 Ford Escape Hybrid	8/15/2008	26,081		35,000			
2008 Ford Escape Hybrid	9/1/2009	20,014		35,000			
Stormwater Camera			50,000				
Public Works							
Equipment	Date	Cost	fy 19-20	fy 20-21	fy 21-22	fy 22-23	fy 23-24
Aerator/plugger	8/31/1992	2,750			5,000		
2004 Brush chipper/mulcher	7/12/2004	21,216	40,000				
Hotsy pressure washer	8/20/2004	4,900			7,500		
2013 John Deere Tractor	1/28/2014	105,347				140,000	
2016 X-Mark lawn mower	7/1/2015	5,587		7,000			
2016 John Deere 1570 Mower	3/1/2016	23,387			28,000		
2016 John Deere 1570 Mower	3/1/2016	23,387			28,000		
2018 Case 580SN Backhoe	12/22/2017	97,481					110,000
2019 John Deere 460M	3/19/2019	34,409					40,000

Description	Purchase Date	Original Cost	fy 19-20	fy 20-21	fy 21-22	fy 22-23	fy 23-24
Skid Steer Loader	10/1/2006	26,711		70,000			
GW880 trailer, 10 ton	1/1/2007	9,970		14,000			
2008 Jacobson Mower	9/8/2008	20,963		28,000			
2008 Leon Mower Trailer	9/15/2008	2,600		4,000			
2009 Aluminum Trailer							
Aluc	11/8/2009	2,626		4,000			
Backhoe Super L	12/5/2008	57,385			110,000		
2011 John Deere Gator	7/1/2011	6,168	8,000				
2013 John Deere Gator	10/1/2013	6,490		8,000			
2015 John Deere 997 mower	8/14/2015	16,250		20,000			
2017 John Deere 997 mower	8/25/2016	15,800			21,000		
Description	Date	Cost	fy 19-20	fy 20-21	fy 21-22	fy 22-23	fy 23-24
Vehicles							
2008 Ford F250	11/1/2007	18,998	36,000				
2009 Ford F250 4-wd w/ plow	11/7/2008	18,992		36,000			
2009 Ford F150	11/8/2008	18,444	26,000				
2010 Dodge 5500 Bucket Truck	5/1/2015	67,209				80,000	
2010 Ford F250	1/13/2010	28,852		36,000			
2010 Ford F150	3/8/2010	24,100		27,000			
2012 Ford F150 Pick-up 2wh	12/1/2011	22,875		27,000			
2013 Ford 2-wd pickup	1/10/2013	20,098			28,000		
2014 Ford F150 4-wheel drive	3/20/2015	24,190				29,000	
2-Wheel drive pickup			32,000				
2016 Freightliner Dump Truck	3/1/2016	89,914			110,000		
2017 International Dump Truck	1/22/2017	96,110					115,000
2018 Ford F-150 4X2 Supercab Pick-Up Truck	9/29/2017	23,180					27,000
2018 Ford F-150 4X2 Supercab Pick-Up Truck	9/29/2017	23,180					27,000
TOTALS		1,192,331	192,000	566,000	337,500	303,000	319,000
			fy 19-20	fy 20-21	fy 21-22	fy 22-23	fy 23-24
Beginning Balance			907,254	898,254	518,254	376,754	279,754
Transfers in			175,000	185,000	195,000	205,000	215,000
Interest Earnings & Sale Proceeds			8,000	1,000	1,000	1,000	1,000
Expenditures			192,000	566,000	337,500	303,000	319,000
Ending Balance			898,254	518,254	376,754	279,754	176,754

Insurance Fund

		FY2015-16	FY2016-17	FY2017-18	FY2018-19	FY2019-20
		<u>Actual</u>	<u>Actual</u>	<u>Actual</u>	<u>Estimated</u>	<u>Approved</u>
	Beginning Balance	99,667	99,900	100,416	100,416	101,016
611	Revenues					
36190	Interest	233	516	1,100	600	600
	Total Revenues	233	516	1,100	600	600
	Other Funding Sources					
37940	Transfer from General Fund	0	0	0	0	0
41000-100	Transfer to General Fund	0	0	0	0	0
	Total Other Funding Sources	0	0	0	0	0
	Expenditures					
43935						
600	Retirement Benefit	0	0	0	0	0
	Total Expenditures	0	0	0	0	0
	Ending Balance	99,900	100,416	101,516	101,016	101,616

ADA Capital Projects Fund

		2019-2020 <u>Approved</u>
Beginning Balance		0
Revenues		
36190	Interest Earnings	1,500
Revenue Total		1,500
42900 Expenditures		
929	Improvements	150,000
Expenditure Total		150,000
51600	Transfer to other funds	
767	State Street Aid	0
771	Capital Fund	0
Total Transfers out		0
Other Funding Sources		
36961	Transfer from General Fund	150,000
Total Transfers in		150,000
Revenue over (under) expenditures		1,500
Ending Balance		1,500

The Town of Farragut, Tennessee (the Town) operates under a Mayor and Board of Aldermen form of government and is organized into the following departments: Administration, Engineering, Community Development, Public Works and Parks and Recreation.

The accounting policies of the Town of Farragut (the primary government) are in conformity with all applicable statements of the Governmental Accounting Standards Board. The following policies are summarized within:

- Use of Funds by Department
- Expenditure, Cash, Investment and Revenue Policies
- Compensated Absences
- Capital Assets
- Long Term Obligations
- Fund Balance Policy
- Debt Management Policy

(A) FINANCIAL REPORTING ENTITY:

Governmental Accounting Standards Board (GASB) Statement No. 14 -"The Financial Reporting Entity," as amended by GASB Statement No. 39 – "Determining Whether Certain Organizations are Component Units" defines the reporting entity as the primary government and those component units for which the primary government is financially accountable. Financial accountability is defined as appointment of a voting majority of a component unit's Board, and either a) the ability to impose will by the primary government, or b) the possibility that the component unit will provide a financial benefit to or impose a financial burden on the primary government.

In evaluating how to define the government for financial reporting purposes, management has considered the primary government and all potential component units by applying the

definitions and the criteria set forth by GASB Statement No. 14, as amended by GASB Statement No. 39.

The financial statements of the Town (primary government) provide an overview of the entity based on financial accountability. The primary government consists of all the organizations that make up its legal entity of funds, departments, and offices that are not legally separate. The Town meets all the criteria defined for a primary government in GASB No. 14, as amended by GASB Statement No. 39, as follows:

- a) Separately elected governing body
- b) Separate legal standing through legislation authorizing its creation
- c) Fiscally independent of other state and local governments

A component unit is defined as a legally separate organization for which the elected officials of the primary government are financially accountable. In addition, a component unit can be another organization for which the nature and significance of its relationship with the primary government is such that exclusion would cause the reporting entity's financial statements to be misleading or incomplete.

Based on the criteria applicable to GASB Statement No. 14, as amended by GASB Statement No. 39, for component units, the Town has no financial accountability for any component units. Therefore, the financial reporting entity is limited to those funds, departments, and offices that comprise the Town's legally adopted jurisdictions.

(B) BASIC FINANCIAL STATEMENTS – GASB NO. 34:

The basic financial statements include both government-wide (based on the Town as a whole) and fund financial statements. While the previous financial reporting model emphasized fund types (the total of all funds of a particular type), the focus of the new model is on either the Town as a whole or major individual funds (within the fund financial statements). Both the government-wide and fund financial statements categorize activities as either governmental activities or business-type activities. Governmental activities are normally supported by taxes and intergovernmental revenues. Business-type activities rely, to a significant extent, on fees and charges for support. All activities, both governmental and business-type, are reported in the government-wide financial statements and use the economic resources measurement focus and the accrual basis of accounting, which includes long-term assets as well as long-term obligations. The government-wide financial statements focus more on the sustainability of the Town as an entity and the change in aggregate financial position resulting from the activities of the fiscal period.

The Town currently has no business-type activities.

The government-wide Statement of Activities demonstrates the degree to which the direct expenses, including depreciation, on the various departments of the Town are offset by program revenues. Direct expenses are those that are clearly identifiable with a specific department. Interest on general long-term debt and depreciation expense on assets shared by multiple departments are not allocated to the various departments. Program revenues include

revenues from fines and forfeitures, licenses and permit fees, special assessment taxes, certain intergovernmental grants, other entities' participation and charges for services. Taxes and other items not properly included among program revenues are reported as general revenues.

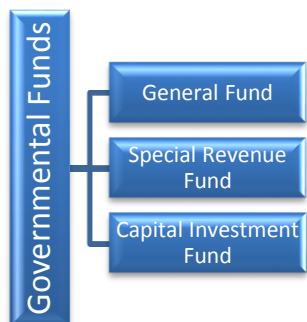
Generally, the effect of interfund activity has been removed from the government-wide financial statements. However, interfund services, if any, are not eliminated. Net interfund activity is shown in the government-wide financial statements.

The fund financial statements are, in substance, very similar to the financial statements presented in the previous financial reporting model. Emphasis here is on the major funds in either the governmental or business-type categories. Non-major funds are summarized into a single column.

(C) BASIS OF PRESENTATION:

The Town uses funds to report on its financial position and the results of its operations. A fund is a separate accounting entity with a self-balancing set of accounts. Fund accounting is designed to demonstrate legal compliance and to aid in the Town's financial management by segregating transactions related to certain functions or activities.

The following categories are used by the Town:



Governmental Fund Types

Governmental Funds are those through which most of the governmental functions of the Town are financed. The focus of Governmental Fund measurement, in the fund financial statements, is upon determination of financial position and changes in financial position rather than upon net income.

Governmental Funds include the following fund types:

- **General Fund:** The General Fund is the Town's general operating fund. It is used to account for all financial resources, except those that are required to be accounted for in another fund.
- **Special Revenue Funds:** Special Revenue Funds are used to account for the proceeds of specific revenue sources (other major capital projects) that are legally restricted to expenditures for specific purposes. One (1) special revenue fund is presented as a non-major fund in the basic financial statements as follows:

- **State Street Aid:** The State Street Aid Fund is used to account for the State gasoline tax. Proceeds of this tax must be expended for the improvement and maintenance of Town Streets

- **Capital Investment Funds:** The Capital Investment Funds are used to account for capital expenditures. A capital expenditure is incurred when the Town spends money either to acquire or construct major capital facilities, to buy fixed assets or to add to the value of an existing fixed asset with a useful life extending beyond the fiscal year. One (1) capital investment fund is presented as a major fund in the basic financial statements as follows:

- **Capital Investment Fund:** The Capital Investment Fund is used to account for the primary capital improvement projects of the Town.

(D) MEASUREMENT FOCUS AND BASIS OF ACCOUNTING:

The government-wide financial statements are reported using the economic resources measurement focus and the accrual basis of accounting. Under this method, revenues are recorded when earned and expenses are recorded at the time liabilities are incurred.

Governmental fund financial statements are reported using the current financial resources measurement focus and the modified accrual basis of accounting. This is the manner in which these funds are normally budgeted. This presentation is deemed most appropriate to 1)

demonstrate legal and covenant compliance, 2) demonstrate the source and use of liquid resources, and 3) demonstrate how the Town's actual experience conforms to the annual budget. Under the modified accrual basis of accounting, revenues are recorded when susceptible to accrual, i.e., both measurable and available. "Measurable" means the amount of the transaction can be determined and "available" is defined as collectible within the current period or within 60 days of the end of the current fiscal period. Expenditures, other than interest on long-term debt, are recorded when the related fund liability is incurred, if measurable. However, debt service expenditures, as well as expenditures related to compensated absences and claims and judgments, are recorded only when payment is due.

Revenues susceptible to accrual method include local sales tax, state-shared sales tax, other state-shared taxes, highway user tax, wholesale beer and liquor taxes, and interest earned on pooled investments. Licenses and permits, charges for services, fines and forfeitures and miscellaneous revenues are generally recorded as revenues when received in cash because they are not measurable until actually received. There are, however, essentially two types of these revenues. Money must be expended for a specific purpose or project before any amounts will be paid to the Town; therefore, revenues are based upon the expenditures recorded; or monies are virtually unrestricted as to the purpose of expenditure and are usually revocable only for failure to comply with prescribed compliance requirements. These resources are reflected as revenues at the time of receipt or earlier if the susceptible to accrual criteria are met.

The Town reports deferred revenues in the governmental funds if the potential revenue does not meet both the "measurable" and "available" criteria for recognition in the current period. Deferred revenues also arise when resources are received by the Town before it has a legal claim to them, as when grant monies are received prior to the incurred qualifying expenditures. In subsequent periods, when both revenue recognition criteria are met, or when the Town has a legal claim to the resources, the liability for deferred revenue is removed and revenue is recognized.

Since the governmental fund financial statements are presented on a basis different than the governmental activities column of the government-wide financial statements, reconciliation is provided immediately following each fund statement. These reconciliations briefly explain the adjustments necessary to transform the fund financial statements into the governmental activities' column of the government-wide financial statements.

As a general rule, the effect of interfund activity, except for interfund services, has been eliminated from the government-wide financial statements.

Amounts reported as program revenue include 1) charges to customers or users who purchase, use or directly benefit from goods or services provided by a particular department, 2) operating grants and contributions that are restricted to meeting the operational requirements of a particular department, and 3) capital grants and contributions that are restricted. Taxes, investment income and other revenues not identifiable with a particular department are included as general revenues. The general revenues support the net costs of

the departments not covered by program revenues.

When both restricted and unrestricted resources are available for use, it is the Town's policy to use restricted resources first, then unrestricted resources as they are needed.

(E) BUDGETS AND BUDGETARY ACCOUNTING:

The Town Administrator submits an annual budget to the Board of Mayor and Aldermen. The Board of Mayor and Aldermen adopt the budget after holding several public hearings. Once approved, the Board of Mayor and Aldermen may amend the legally adopted budget when unexpected modifications are required on estimated revenues and appropriations.

The budget must be balanced for each fund; total projected revenues and funding sources must equal total anticipated expenditures. The approved budget for this fiscal year is a balanced budget.

Each fund's appropriated budget is prepared on the following basis. Revenues are budgeted by

source. Expenditures are budgeted by fund, which constitutes the legal level of control. Expenditures may not exceed appropriations at this level. All budget revisions at this level are subject to final review by the Board of Mayor and Aldermen. Within these controls, management may transfer appropriations without the Board of Mayor and Aldermen's approval.

Formal budgetary integration is employed as a management control device during the year for the General Fund, Special Revenue Fund and Capital Projects Funds.

The General Fund, Special Revenue Fund and Capital Projects Funds have legally adopted budgets.

Budgets for the governmental funds are adopted on a basis consistent with generally accepted accounting principles in the United States of America.

Budgeted amounts are as originally adopted (or as subsequently amended) by the Board of Mayor and Aldermen.

Use of Funds by Departments			
Department	Fund		
	General Fund	Special Revenue Funds	Capital Investment Funds
Legislative	✓		
Town Court	✓		
Administration	✓		
Human Resources	✓		
Information Technology	✓		
Engineering	✓		
Community Development	✓		
General Government	✓		
Parks & Recreation	✓		
Public Works	✓		
Non-Departmental	✓		
Economic Development	✓		
Capital Investment Program			✓
State Street Aid		✓	
Equipment Replacement	✓		
Insurance Fund	✓		
ADA Capital Projects	✓		

(F) EXPENDITURES:

Operating expenditures shall be accounted, reported, and budgeted for in all funds. The annual budget shall appropriate sufficient funds for operating, recurring expenditures necessary to maintain established (i.e. status quo) quality and scope of town services.

The Town will constantly examine the methods for providing public services in order to reduce operating, recurring expenditures and/or enhance quality and scope of public services with no increase to cost.

Personal service expenditures will reflect the minimum staffing needed to provide established quality and scope of town services. To attract and retain employees necessary for providing high-quality service, the Town shall maintain a compensation and benefit package competitive with the public and, when quantifiable, private service industries.

Supply expenditures shall be sufficient for ensuring the optimal productivity of Town employees.

Maintenance expenditures shall be sufficient for addressing the deterioration of the Town's capital assets to ensure the optimal productivity of the capital assets. Maintenance should be conducted to ensure a relatively stable level of maintenance expenditures for every budget year.

(G) ENCUMBRANCES:

The Town of Farragut uses encumbrance accounting, under which purchase orders, contracts, and other commitments for the expenditure of monies that are recorded in order to reserve a portion of the applicable

appropriation. All encumbrances and appropriations lapse at the end of the fiscal year.

(H) USE OF ESTIMATES:

The preparation of financial statements in conformity with generally accepted accounting principles in the United States of America requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of revenues and expenditures during the reporting period. Actual results could differ from estimates.

(I) CASH:

The Town considers investments with an original maturity of ninety (90) days or less to be a cash equivalent.

(J) INVESTMENTS:

In order to provide a safe temporary medium for investment of idle funds, municipalities are authorized by TCA 6-56-106 to invest in the following:

- 1) Bonds, notes, or treasury bills of the United States;
- 2) Non-convertible debt securities of certain issuers;
- 3) Other obligations which are guaranteed as to principal and interest by the United States or any of its agencies;
- 4) Certificates of Deposit at state and federal chartered banks and savings and loan associations;
- 5) Obligations of the United States or its agencies under a repurchase agreement

if approved as an authorized investment by the State Director of Local Finance;

- 6) Money market funds whose portfolios consist of any of the foregoing investments if approved as an authorized investment by the State Director of Local Finance; and
- 7) The Local Government Investment Pool under which local monies are transferred to and invested with the State Treasurer's cash portfolio. Investments consist of amounts held in the Local Government Investment Pool and are stated at cost.

Following guidance by the Governmental Accounting Standards Board Statement Number 31, the Town reports amortized cost money market investments and participating interest earning investment contracts that have a remaining maturity at time of purchase of one year or less. By definition, money market investments are short-term, highly liquid debt instruments including commercial paper, bankers' acceptances, and U.S. Treasury and agency obligations. All other investments are carried at fair value.

(K) REVENUES:

To protect the Town's financial integrity, the Town will maintain a diversified and stable revenue system to shelter it from fluctuations in any one revenue source. Recognizing that sales tax is a volatile, unpredictable source of revenue, the Town will attempt to reduce its dependence on sales tax revenue.

The Town will establish a fee schedule at a level that attempts to recover the full cost of providing the service.

The Town will attempt to maximize the application of its financial resources by obtaining

supplementary funding through agreements with other public agencies for the provision of public services or the construction of capital improvements.

When developing the annual budget, the Town Administrator will project revenues from every source based on actual collections from the preceding year and estimated collections of the current fiscal year, taking into account known circumstances which will impact revenues for the new fiscal year.

(L) COMPENSATED ABSENCES:

All employees on permanent full-time status shall earn annual leave for uninterrupted continuous service as follows (per month):

- Less than three (3) years.....8 hours
- Three (3) to ten (10) years..... 12 hours
- Ten (10) to twenty (20) years....16 hours
- Over twenty (20) years..... 20 hours

All employees on permanent part-time status, working twenty (20) or more hours per work week, shall earn 4 hours of annual leave per month for uninterrupted continuous service.

Annual leave shall begin to accrue at the end of the first full calendar month of employment or appointment. An employee starting to work at any time after the first day of a calendar month will not have accumulated annual leave until the end of the following calendar month.

Annual leave may be accrued up to a maximum of two hundred forty (240) hours at the end of each calendar year. Any unused annual leave above the maximum limit on January 1st of each year shall be forfeited.

Employees resigning voluntarily, and/or who give reasonable notice of intent to resign, or

retire, shall receive payment at the current rate of compensation for such employee for all accrued annual leave earned as of the date of resignation or retirement. In the event of the employee's death, the Town will pay the employee's estate the consideration due for the accrued annual leave.

Seasonal, temporary and/or emergency employees will not accrue leave.

All employees on permanent full-time status shall earn 8 hours of sick leave for each completed month of service. All employees on permanent part-time status, working twenty (20) or more hours per work week, shall earn 4 hours of sick leave for each completed month of service. Sick leave shall begin to accrue at the end of the first full calendar month of employment. An employee starting to work at any time after the first day of the calendar month shall not have accumulated sick leave until the end of the following calendar month. An employee can accrue up to ninety (90) days of sick leave. No payment will be made for accrued sick leave upon separation from the Town.

The Town of Farragut provides a disability insurance plan. The benefits would be made effective after ninety (90) days and would provide up to 60% of the employee's compensation at the time of the disability.

Those employees who had accumulated above ninety (90) sick leave days on July 1, 1993, are permitted to apply the excess sick leave days in conjunction with the disability benefits. The Town would provide the remaining 40% of the employee's compensation in return for each excess sick day used. The total compensation paid to an employee shall not exceed 100% of

the employee's compensation by using any combination of sick leave and disability benefits.

The Town of Farragut, Tennessee, may provide leave with pay for the following:

- a) Jury Duty—Jury leave shall be authorized by the Town Administrator for full-time employees who are required to serve jury duty, provided that such leave is reported in advance.
- b) Military Leave—Military leave shall be provided to members of the Tennessee National Guard or a U.S. Military Reserve component for federal annual field training with no loss of pay up to fifteen (15) working days in one calendar year. If a regular employee is ordered to active state duty by the Governor, the employee is entitled to receive full pay while on duty. Use of military leave for annual training or emergency state duty will not affect the employee's rights to regular leave or benefits, nor will it impair the employee's performance evaluation with the Town. An employee may either keep the military paycheck and not receive a Town paycheck or may elect to sign over the military check to the town and receive his/her town paycheck.
- c) Bereavement Leave – In case of death in the immediate family, a full-time employee may be granted a leave of absence with pay of up to three (3) working days. Dependent upon the functions required of an employee regarding the death of an immediate family member, the Town Administrator may allow up to two additional leave days if he/she is convinced of its need. "Immediate family" shall include

parents, step-parents, grandparents, brothers, sisters, spouse, children, step-children, father-in-law, and mother-in-law. The full-time employee may be granted a leave of absence with pay of one day in the case of the death of aunts, uncles, nieces, or nephews. The Town Administrator may allow one additional day depending upon the functions required of the employee. After the approved bereavement leave period, additional leave may be charged to the employee's annual leave.

- d) Leave Without Pay – A full-time employee may be granted a leave of absence without pay for sickness, disability, or other good and sufficient reasons which are considered, in the opinion of the Town Administrator, to be controlling or in the best interests of the Town. Such leave must be requested in writing and shall require the prior approval of the Town Administrator. An employee will not accrue sick leave or annual leave while on leave of absence without pay. Leave of absence without pay for maternity purposes may be granted regular employees. At the option of an employee, she may exhaust available sick leave and annual leave before taking a maternity leave without pay.

Compensated absences shown in the government-wide financial statements have been computed following Governmental Accounting Standards Board (GASB) Statement 16. The statement requires that, in addition to direct salary cost, all salary related items be accrued as well. The Town has accrued the

appropriate matching payroll taxes and pension plan contributions.

(M) CAPITAL ASSETS:

Capital assets, including public domain infrastructure (e.g. roads) are reported in the applicable governmental or business-type activities columns in the government-wide financial statements. Capital assets are defined by the government as assets with an initial, individual cost of more than \$1,000 and an estimated useful life greater than one year. Such assets are recorded at historical cost or estimated historical cost if purchased or constructed. Donated capital assets, donated works of art, and capital assets received in a service concession arrangement are reported at acquisition value.

The cost of normal maintenance and repairs that do not add to the value of the asset, or materially extend its life, are not capitalized. Major improvements are capitalized and depreciated over the remaining useful lives of the related capital assets.

Major outlays for capital assets and improvements are capitalized as projects are constructed.

Property, equipment, and infrastructure are depreciated using the straight-line method over the following estimated useful lives (land and construction-in-progress are not depreciated):

<u>Assets</u>	<u>Useful life (years)</u>
Buildings	50
Improvements	25
Equipment and vehicles	5 – 25
Infrastructure	50

(N) LONG-TERM OBLIGATIONS:

In the government-wide financial statements, long-term debt (if applicable) and other long-term obligations (compensated absences) are reported as liabilities in the applicable governmental activities. Debt premiums, discounts, and issuance costs are deferred and amortized over the life of the debt. Debt payable is reported net of the applicable premium or discount.

In the fund financial statements, when applicable, governmental fund types recognize debt premiums and discounts, as well as debt issuance costs, in the period in which the debt is issued. The face amount of debt issued is reported as other financing sources. Premiums received on debt issuances are reported as other financing sources, while discounts on debt issuances are reported as other financing uses. Issuance costs, whether or not withheld from the actual debt proceeds received, are reported as debt service expenditures.

(O) FUND BALANCE POLICY:

The Fund Balance Policy provides guidelines during the preparation and execution of the annual budget to ensure that sufficient reserves are maintained for unanticipated expenditures or revenue shortfalls. It is also intended to preserve flexibility throughout the fiscal year to make adjustments in funding for programs approved in connection with the annual budget. The Fund Balance Policy is established based upon a long-term perspective recognizing that stated thresholds are considered minimum balances. The main objective of establishing and maintaining a Fund Balance Policy is for the Town to be in a strong fiscal position that will allow for better position to weather negative economic trends.

The Fund Balance consists of five categories: Nonspendable, Restricted, Committed, Assigned, and Unassigned.

- **Nonspendable Fund Balances** comprise those amounts that cannot be spent due to their form (e.g. inventory and prepaids) or funds that legally or contractually are required to be maintained intact.
- **Restricted Fund Balance** comprise those amounts constrained to be used for a specific purpose by external parties, constitutional provisions or enabling legislation.
- **Committed Fund Balance** comprise those amounts that are set aside for a specific purpose by the Town's highest level of decision-making authority (Board of Mayor and Aldermen) through its highest level of formal action (ordinance). Formal action must be taken prior to the end of the fiscal year. The same formal action must be taken to remove or change the limitations placed on the funds.
- **Assigned Fund Balance** consists of amounts that are set aside with the intent to be used for a specific purpose by the Town's highest level of decision-making body. Assigned funds cannot cause a deficit in unassigned fund balance. Except as provided for the Town Administrator's authority to assign fund balance, as described below, fund balance may only be

assigned by the Board of Mayor and Aldermen by resolution.

- **Unassigned Fund Balance** consists of excess funds that have not been classified in the previous four categories.

Significant aspects of the Town's fund balance policy are as follows:

Nonspendable and Restricted Funds

Nonspendable funds are those funds that cannot be spent because they are either:

- 1) Not in spendable form (e.g. inventories and prepaids)
- 2) Legally or contractually required to be maintained intact

It is the responsibility of the Treasurer to report all Nonspendable Funds appropriately in the Town's Financial Statements.

Restricted funds are those funds that have constraints placed on their use either:

- 1) Externally by creditors, grantors, contributors, or laws or regulations or other governments
- 2) By law through constitutional provisions or enabling legislation.

It is the responsibility of the Treasurer to report all Restricted Funds appropriately in the Town's Financial Statements. All Restricted Funds must also be reported to the Town's governing body within two months of the end of the fiscal year.

Order of Use of Restricted and Unrestricted Funds

When both restricted and unrestricted funds are available for expenditure, restricted funds should be spent first unless legal requirements disallow it.

When committed, assigned and unassigned funds are available for expenditure, committed funds should be spent first, assigned funds second, and unassigned funds last.

Authority to Commit Funds

The Town's governing body has the authority to set aside funds for a specific purpose. Any funds set aside as Committed Fund Balance requires the passage of an ordinance by a simple majority vote. The passage of an ordinance must take place prior to June 30th of the applicable fiscal year. If the actual amount of the commitment is not available by June 30th, the ordinance must state the process or formula necessary to calculate the actual amount as soon as information is available.

Stabilization Funds

Maintaining a Financial Stabilization Account is a necessity for sound financial management and fiscal accountability. The Town's governing body has the authority to establish a Financial Stabilization Account that will be a Committed Fund Balance. A Financial Stabilization Account is established, Resolution 2011-05, for the purpose of providing funds for an urgent event that affects the safety of the general public (e.g. flood, tornado, etc.). The minimum level for the Financial Stabilization Account is 5% of General Fund expenditures. The recognition of an urgent event must be established by the governing body or their designee (e.g. Town Administrator). If established by the governing body's designee, the specific urgent event must

be reported to the governing body at their next meeting. A budget amendment must be approved by the Town's governing body. In the event that the balance drops below the established minimum level, the Town's governing body will develop a plan to replenish the Financial Stabilization Account balance to the established minimum level within four years.

Authority to Assign Funds

The Fund Balance Policy, Resolution 2011-05, gives authority to the Town Administrator to assign funds for specific purposes in an amount not to exceed \$20,000 per purpose or in total not to exceed \$200,000. Any funds set aside as Assigned Fund Balance must be reported to the Town's governing body at their next regular meeting and recorded in the minutes. The governing body has the authority to remove or change the assignment of the funds with a simple majority vote.

The Town's governing body has the authority to set aside funds for the intended use of a specific purpose. Any funds set aside as Assigned Fund Balance requires a simple majority vote and must be recorded in the minutes. The same action is required to change or remove the assignment.

Upon passage of a budget ordinance where fund balance is used as a source to balance the budget, the Treasurer shall record the amount as Assigned Fund Balance.

Unassigned Fund Balance

Unassigned Fund Balance is the residual amount of Fund Balance in the General Fund. It represents the resources available for future spending. An appropriate level of Unassigned Fund Balance should be maintained in the General Fund in order to cover unexpected

expenditures and revenue shortfalls.

Unassigned Fund Balance may be accessed in the event of unexpected expenditures up to the minimum established level upon approval of a budget amendment by the Town's governing body. In the event of projected revenue shortfalls, it is the responsibility of the Treasurer to report the projections to the Town's governing body on a quarterly basis and shall be recorded in the minutes.

Any budget amendment that will result in the Unassigned Fund Balance dropping below the minimum level will require the approval of 2/3 vote of the Town's governing body.

The Fund Balance Policy establishes a minimum Unassigned Fund Balance equal to 30% of General Fund expenditures. In the event that the balance drops below the established minimum level, the Town's governing body will develop a plan to replenish the fund balance to the established minimum level within two years.

(P) Debt Management Policy

The purpose of this debt policy is to establish a set of parameters by which debt obligations will be undertaken by the Town of Farragut, TN. This policy reinforces the commitment of the Town and its officials to manage the financial affairs of the Town so as to minimize risk, avoid conflicts of interest and ensure transparency while still meeting the capital needs of the Town. A debt management policy signals to the public and the rating agencies that the Town is using a disciplined and defined approach to financing capital needs and fulfills the requirements of the State of Tennessee

regarding the adoption of a debt management policy.

The goal of this policy is to assist decision makers in planning, issuing and managing debt obligations by providing clear direction as to the steps, substance and outcomes desired. In addition, greater stability over the long-term will be generated by the use of consistent guidelines in issuing debt.

Definition of Debt: All obligations of the Town to repay, with or without interest, in installments and/or at a later date, some amount of money utilized for the purchase, construction, or operation of Town resources. This includes but is not limited to notes, bond issues, capital leases, and loans of any type (whether from an outside source such as a bank or from another internal fund).

Approval of Debt: Bond anticipation notes, capital outlay notes, grant anticipation notes, and tax and revenue anticipation notes will be submitted to the State of Tennessee Comptroller's Office and the Board of Mayor and Aldermen prior to issuance or entering into the obligation. A plan for refunding debt issues will also be submitted to the Comptroller's Office prior to issuance. Capital or equipment leases may be entered into by the Board of Mayor and Aldermen; however, details on the lease agreement will be forwarded to the Comptroller's Office on the specified form within 45 days.

Transparency:

- The Town shall comply with legal requirements for notice and for public meetings related to debt issuance.
- All notices shall be posted in the customary and required posting

locations, including as required local newspapers, bulletin boards, and websites.

- All costs (including principal, interest, issuance, continuing, and one-time) shall be clearly presented and disclosed to the citizens, Board of Mayor and Aldermen, and other stakeholders in a timely manner.
- The terms and life of each debt issue shall be clearly presented and disclosed to the citizens/members, Board of Mayor and Aldermen, and other stakeholders in a timely manner.
- A debt service schedule outlining the rate of retirement for the principal amount shall be clearly presented and disclosed to the citizens/members, Board of Mayor and Aldermen, and other stakeholders in a timely manner.

Role of Debt:

- Long-term debt shall not be used to finance current operations. Long-term debt may be used for capital purchases or construction identified through the capital improvement, regional development, transportation, or master process or plan. Short-term debt may be used for certain projects and equipment financing as well as for operational borrowing; however, the Town will minimize the use of short-term cash flow borrowings by maintaining adequate working capital and close budget management.
- In accordance with Generally Accepted Accounting Principles and state law,
 - i. The maturity of the underlying debt will not be more than the

- useful life of the assets purchased or built with the debt, not to exceed 30 years; however, an exception may be made with respect to federally sponsored loans, provided such an exception is consistent with law and accepted practices.
- ii. Debt issued for operating expenses must be repaid within the same fiscal year of issuance or incurrence.

Types and Limits of Debt:

- The Town will seek to limit total outstanding debt obligations to the following schedule, excluding overlapping debt, enterprise debt, and revenue debt.

Ratio	Value
General Fund Balance Requirement	30%
Average Life of Total Debt	≤10 Years
Percentage of Principle Paid within 10 years	≥60%
Per Capita Debt/Per Capita Income	≤4%
Debt Service/General Fund Operating Expense	≤12%

- The limitation on total outstanding debt must be reviewed prior to the issuance of any new debt.
- The Town's total outstanding debt obligation will be monitored and reported to the Board of Mayor and Aldermen by the Town Recorder. The Town Recorder shall monitor the maturities and terms and conditions of all obligations to ensure compliance. The Town Recorder shall also report to the Board of Mayor and Aldermen any matter that adversely affects the credit or financial integrity of the Town.
- The Town has issued General Obligation Capital Outlay Notes in the past and is authorized to issue General Obligation bonds, Revenue bonds, TIFs, loans, notes and other debt allowed by law.
- The Town will seek to structure debt with level or declining debt service payments over the life of each individual bond issue or loan.
- As a rule, the Town will not backload, use "wrap-around" techniques, balloon payments or other formats to pursue the financing of projects. When refunding opportunities, natural disasters, other non-general fund revenues, or other external factors occur, the Town may utilize non-level debt methods. However, the use of such methods must be thoroughly discussed in a public meeting and the mayor and governing body must determine such use is justified and in the best interest of the Town.
- The Town may use capital leases to finance short-term projects.

Use of Variable Rate Debt:

- The Town recognizes the value of variable rate debt obligations and that cities have greatly benefitted from the use of variable rate debt in the financing of needed infrastructure and capital improvements.
- However, the Town also recognizes there are inherent risks associated with the use of variable rate debt and will implement steps to mitigate these risks; including:
 1. The Town will annually include in its budget an interest rate assumption for any outstanding variable rate debt that takes market fluctuations affecting the rate of interest into consideration.
 2. Prior to entering into any variable rate debt obligation that is backed by insurance and secured by a liquidity provider, the Board of Mayor and Aldermen shall be informed of the potential effect on rates as well as any additional costs that might be incurred should the insurance fail.
 3. Prior to entering into any variable rate debt obligation that is backed by a letter of credit provider, the Board of Mayor and Aldermen shall be informed of the potential effect on rates as well as any additional costs that might be incurred should the letter of credit fail.
 4. Prior to entering into any variable rate debt obligation,

the Board of Mayor and Aldermen will be informed of any terms, conditions, fees, or other costs associated with the prepayment of variable rate debt obligations.

5. The Town shall consult with persons familiar with the arbitrage rules to determine applicability, legal responsibility, and potential consequences associated with any variable rate debt obligation.

Use of Derivatives:

- The Town chooses not to use derivative or other financial structures in the management of the Town's debt portfolio.
- Prior to any reversal of this provision:
 1. A written management report outlining the potential benefits and consequences of utilizing these structures must be submitted to the Board of Mayor and Aldermen; and
 2. The Board of Mayor and Aldermen must adopt a specific amendment to this policy concerning the use of derivatives or interest rate agreements that complies with the State Funding Board Guidelines.

Costs of Debt:

- All costs associated with the initial issuance or incurrence of debt, management and repayment of debt

(including interest, principal, and fees or charges) shall be disclosed prior to action by the Board of Mayor and Aldermen in accordance with the notice requirements stated above.

- In cases of variable interest or non-specified costs, detailed explanation of the assumptions shall be provided along with the complete estimate of total costs anticipated to be incurred as part of the debt issue.
- Costs related to the repayment of debt, including liabilities for future years, shall be provided in context of the annual budgets from which such payments will be funded (i.e. General Obligations bonds in context of the General Fund, Revenue bonds in context of the dedicated revenue stream and related expenditures, loans and notes).

Refinancing Outstanding Debt:

- The Town will refund debt when it is in the best financial interest of the Town to do so, and the Town Administrator shall have the responsibility to analyze outstanding bond issues for refunding opportunities. The decision to refinance must be explicitly approved by the governing body, and all plans for current or advance refunding of debt must be in compliance with state laws and regulations.
- The Town Administrator will consider the following issues when analyzing possible refunding opportunities:
 1. Onerous Restrictions – Debt may be refinanced to eliminate onerous or restrictive covenants contained in existing

debt documents, or to take advantage of changing financial conditions or interest rates.

2. Restructuring for Economic Purposes – The Town will refund debt when it is in the best financial interest of the Town to do so. Such refunding may include restructuring to meet unanticipated revenue expectations, achieve cost savings, mitigate irregular debt service payments, or to release reserve funds. Current refunding opportunities may be considered by the Town Administrator if the refunding generates positive present value savings of at least 4%.
3. Term of Refunding Issues – The Town will refund bonds within the term of the originally issued debt. However, the Town Administrator may consider maturity extension, when necessary to achieve a desired outcome, provided such extension is legally permissible. The Town Administrator may also consider shortening the term of the originally issued debt to realize greater savings. The remaining useful life of the financed facility and the concept of inter-generational equity should guide this decision.
4. Escrow Structuring – The Town shall utilize the least costly securities available in structuring refunding escrows. Under no circumstances shall

an underwriter, agent or financial advisor sell escrow securities to the Town from its own account.

5. Arbitrage – The Town shall consult with persons familiar with the arbitrage rules to determine applicability, legal responsibility, and potential consequences associated with any refunding.

Professional Services:

The Town shall require all professionals engaged in the process of issuing debt to clearly disclose all compensation and consideration received related to services provided in the debt issuance process by both the Town and the lender or conduit issuer, if any. This includes “soft” costs or compensations in lieu of direct payments.

- **Counsel:** The Town shall enter into an engagement letter agreement with each lawyer or law firm representing the Town in a debt transaction. (No engagement letter is required for any lawyer who is an employee of the Town or lawyer or law firm which is under a general appointment or contract to serve as counsel to the Town. The Town does not need an engagement letter with counsel not representing the Town, such as underwriters’ counsel.)
- **Financial Advisor:** If the Town chooses to hire financial advisors, the Town shall enter into a written agreement with each person or firm serving as financial advisor for debt management and transactions.

- Whether in a competitive sale or negotiated sale, the financial advisor shall not be permitted to bid on, privately place or underwrite an issue for which they are or have been providing advisory services for the issuance or broker any other debt transactions for the Town

- **Underwriter:** (If there is an underwriter) The Town shall require the Underwriter to clearly identify itself in writing (e.g., in a response to a request for proposals or in promotional materials provided to an issuer) as an underwriter and not as a financial advisor from the earliest stages of its relationship with the Town with respect to that issue. The Underwriter must clarify its primary role as a purchaser of securities in an arm’s-length commercial transaction and that it has financial and other interests that differ from those of the Entity. The Underwriter in a publicly offered, negotiated sale shall be required to provide pricing information both as to interest rates and to takedown per maturity to the Board of Mayor and Aldermen in advance of the pricing of the debt.

Conflicts:

- Professionals involved in a debt transaction hired or compensated by the Town shall be required to disclose to the Town existing client and business relationships between and among the professionals to a transaction (including but not limited to financial advisor, swap advisor, bond counsel, swap counsel, trustee, paying agent, liquidity

or credit enhancement provider, underwriter, counterparty, and remarketing agent), as well as conduit issuers, sponsoring organizations and program administrators. This disclosure shall include that information reasonably sufficient to allow the Town to appreciate the significance of the relationships.

- Professionals who become involved in the debt transaction as a result of a bid submitted in a widely and publicly advertised competitive sale conducted using an industry standard, electronic bidding platform are not subject to this disclosure. No disclosure is required that would violate any rule or regulation of professional conduct.

Review of Policy:

This policy shall be reviewed at least annually by the Board of Mayor and Aldermen with the approval of the annual budget. Any amendments shall be considered and approved in the same process as the initial adoption of this Policy, with opportunity for public input.

Compliance:

The Town Recorder is responsible for ensuring compliance with this policy.

TCA References: TCA 7, Part 9 – Contracts, Leases, and Lease Purchase Agreements

TCA 9, Part 21 – Local Government Public Obligations Law

Appendix B- Long-Term Plan

In accordance with the Town's financial policies, the 2019-2020 budget was developed in context of long-term financial plans. The plans anticipate funding needs and available revenues and forecast methods for matching future revenues and expenses. Plans have been developed for all the Town's major operating funds: General, State Street Aid and Capital Investment Program. The State Street Aid and General Fund plan presents the fund over seven fiscal years: three previous years, the adopted budget for FY20, and four projected years. The Capital Investment Program plan presents the fund over five fiscal years: the adopted budget for FY20 and four projected years. The CIP plan can be found on page 115. There are several benefits to this plan. First, the CIP gives future Boards a valuable perspective when considering budgets within each five-year timeframe. Second, the plans impart a measure of discipline on Town staff. The plans establish funding ceilings on recurring operating expenditures.

Finally, the CIP helps the Town in absorbing the impact of economic booms and busts. The Town of Farragut is particularly susceptible to economic fluctuations due to its reliance on local sales tax.

The plan reflects the following assumptions based on historic trends and knowledge of economic conditions present when the budget was developed:

Local sales tax increased 4 percent from fiscal year 2019 to 2020. The Town is optimistic

regarding its FY20 sales tax collections based on the past twelve months of collections. The projected years of 2021 through 2024 assume conservative 2 percent annual increases. All other revenues during the planning horizon are expected to increase a conservative 2 percent per year as well.

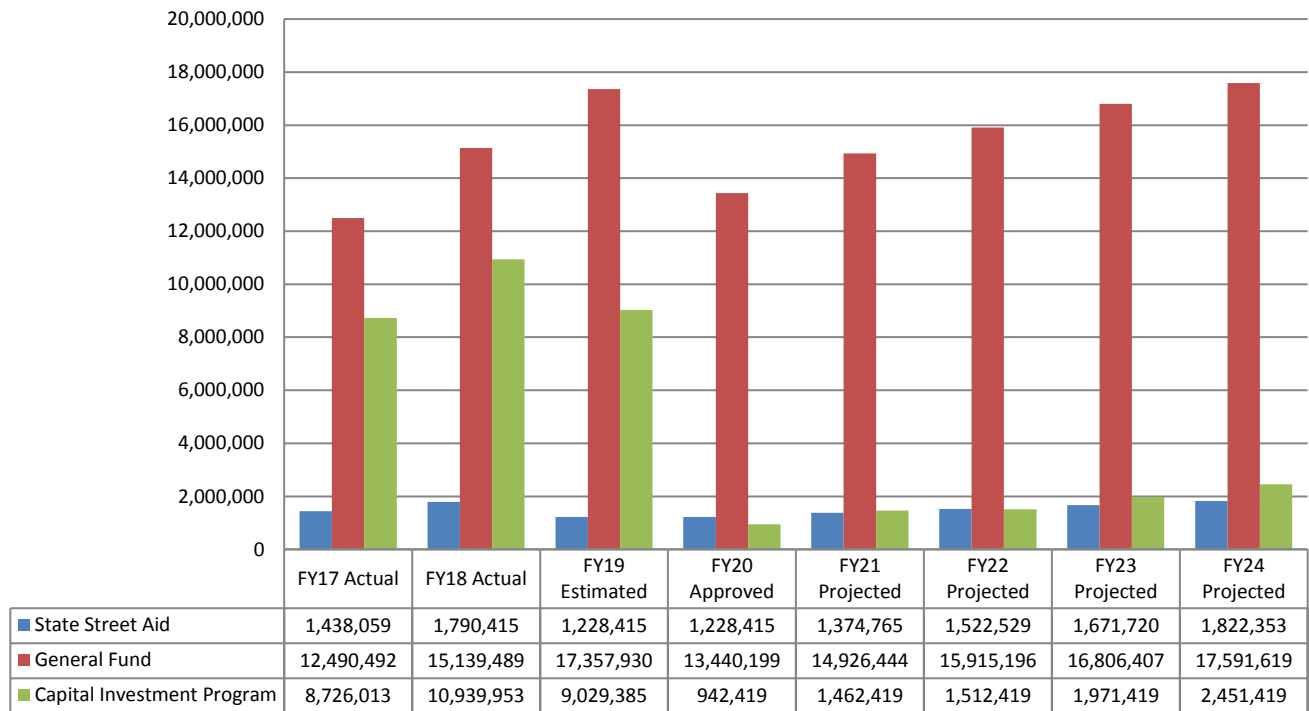
Approximately 63 percent of the General Fund's expenditures are associated with employee compensation. The Board of Mayor and Aldermen approved a 4 percent merit increase for FY20.

The General Fund makes contributions to the Town's Capital Investment, Equipment Replacement and the State Street Aid funds. The total transfers to the funds for FY20 are \$7,575,000.

All operating expenditures for fiscal years 2021 through 2024 are adjusted for a 4 percent inflationary increase.

For fiscal years 2021 through 2024, revenues are projected to exceed expenditures by an average of \$3.5 million per year. The Town has prepared a long-term approach that allows the organization to reduce the fund balance to a level of 30 percent of the operating expenditures, if needed. This allows the Town to maintain compliance with its fund balance policy and alleviate the Town's financial burden for non-reoccurring and capital expenditures.

**Ending Fund Balance
Three Major Funds Over the Long-Term Planning Horizon**



General Fund Long Term Financial Plan					
	Year 1	Year 2	Year 3	Year 4	
	FY2019-20 <u>Approved</u>	FY2020-21 <u>Projected</u>	FY2021-22 <u>Projected</u>	FY2022-23 <u>Projected</u>	FY2023-24 <u>Projected</u>
BEGINNING FUND BALANCE	19,330,170	15,671,055	17,246,534	18,328,090	19,315,817
REVENUE					
Local Sales Tax	6,365,400	6,492,708	6,622,562	6,755,013	6,890,114
State Sales Tax	1,900,000	1,938,000	1,976,760	2,016,295	2,056,621
Hall Income Tax	400,000	408,000	0	0	0
Wholesale Beer, Liquor & Mixed Drink	1,150,000	1,173,000	1,196,460	1,220,389	1,244,797
Intergovernmental	650,000	663,000	676,260	689,785	703,581
Building Permits & Licenses	367,200	374,544	382,035	389,676	397,469
Recreation Fees	209,500	213,690	217,964	222,323	226,770
Traffic Enforcement Program & Fines	50,200	51,204	52,228	53,273	54,338
Rent	155,972	159,091	162,273	165,519	168,829
Miscellaneous	103,800	105,876	107,994	110,153	112,356
Total Revenue	11,352,072	11,579,113	11,394,536	11,622,426	11,854,875
EXPENDITURES					
Legislative	57,450	59,748	62,138	64,623	67,208
Town Court	54,570	56,753	59,023	61,384	63,839
Administration	719,591	748,375	778,310	809,442	841,820
Human Resources	225,885	234,920	244,317	254,090	264,254
Information Technology	453,374	471,509	490,369	509,984	530,383
Engineering	681,702	708,970	737,329	766,822	797,495
Community Development	955,507	993,727	1,033,476	1,074,815	1,117,808
General Government	279,850	291,044	302,686	314,793	327,385
Parks & Leisure Services	1,179,890	1,227,086	1,276,169	1,327,216	1,380,304
Community Center	312,008	324,488	337,468	350,967	365,005
Public Works	1,931,960	2,009,238	2,089,608	2,173,192	2,260,120
Non-Departmental	457,400	475,696	494,724	514,513	535,093
Economic Development	127,000	132,080	137,363	142,858	148,572
Total Expenditures	7,436,187	7,733,634	8,042,980	8,364,699	8,699,287
Revenue over (under) expenditures	3,915,885	3,845,479	3,351,556	3,257,727	3,155,588
Total Transfers In	0	0	0	0	0
Total transfers out	-7,575,000	-2,270,000	-2,270,000	-2,270,000	-2,270,000
Assigned Fund Balance	0	0	0	0	0
Unassigned Fund Balance	15,671,055	17,246,534	18,328,090	19,315,817	20,201,405
ENDING BALANCE	15,671,055	17,246,534	18,328,090	19,315,817	20,201,405
30% of Expenditure	2,230,856	2,320,090	2,412,894	2,509,410	2,609,786
AVAILABLE FUND BALANCE	13,440,199	14,926,444	15,915,196	16,806,407	17,591,619

State Street Aid-121

		2017-2018	2018-2019	2018-2019	2019-2020
		<u>Actual</u>	<u>Budget</u>	<u>Estimated</u>	<u>Approved</u>
	Beginning Balance	1,438,059	1,790,415	1,790,415	1,228,415
121	Revenues				
33551	State Gasoline & Motor Fuel	751,888	791,000	810,000	850,000
36190	Interest Earnings	17,759	500	35,000	15,000
	Revenue Total	769,647	791,500	845,000	865,000
43100	Expenditures				
268	Street Maintenance	102,362	60,000	115,000	75,000
269	Resurfacing	466,983	1,354,624	1,320,000	650,000
291	Street Striping	34,761	45,000	45,000	50,000
423	Guardrails	0	15,000	5,000	15,000
425	Traffic Calming	7,931	18,000	7,000	25,000
43267					
267	Sidewalks/Greenways	5,254	50,000	15,000	50,000
	Expenditure Total	617,291	1,542,624	1,507,000	865,000
	Other Funding Sources				
37940	Transfer from General Fund	200,000	100,000	100,000	0
	Total Transfers in	200,000	100,000	100,000	0
	Revenue over (under) expenditures	352,356	-651,124	-562,000	0
	Ending Balance	1,790,415	1,139,291	1,228,415	1,228,415

State Street Aid		Year 1	Year 2	Year 3	Year 4
		2020-2021	2021-2022	2022-2023	2023-2024
		<u>Projected</u>	<u>Projected</u>	<u>Projected</u>	<u>Projected</u>
Beginning Balance		1,228,415	1,374,765	1,522,529	1,671,720
121	Revenues				
33551	State Gasoline & Motor Fuel	858,500	867,085	875,756	884,513
36190	Interest Earnings	5,000	5,000	5,000	5,000
	Revenue Total	863,500	872,085	880,756	889,513
43100	Expenditures				
268	Street Maintenance	75,750	76,508	77,273	78,045
269	Resurfacing	500,000	505,000	510,050	515,151
291	Street Striping	50,500	51,005	51,515	52,030
423	Guardrails	15,150	15,302	15,455	15,609
425	Traffic Calming	25,250	25,503	25,758	26,015
43267					
267	Sidewalks/Greenways	50,500	51,005	51,515	52,030
	Expenditure Total	717,150	724,322	731,565	738,880
Other Funding Sources					
37940	Transfer from General Fund	0	0	0	0
	Total Transfers in	0	0	0	0
Revenue over (under) expenditures		146,350	147,764	149,191	150,633
	Ending Balance	1,374,765	1,522,529	1,671,720	1,822,353

Appendix C-Budget Ordinance

ORDINANCE	19-22
PREPARED BY	Myers
1 ST READING	May 23, 2019
2 nd READING	June 13, 2019
PUBLISHED IN	Shopper News Farragut
DATE	June 19, 2019

**AN ORDINANCE OF THE TOWN OF FARRAGUT, TENNESSEE
ADOPTING THE ANNUAL BUDGET FOR THE FISCAL YEAR BEGINNING JULY 1, 2019
AND ENDING JUNE 30, 2020.**

WHEREAS, Tennessee Code Annotated § 9-1-116 requires that all funds of the State of Tennessee and all its political subdivisions shall first be appropriated before being expended and that only funds that are available shall be appropriated; and

WHEREAS, the Municipal Budget Law of 1982 requires that the governing body of each municipality adopt and operate under an annual budget ordinance presenting a financial plan with at least the information required by that state statute, that no municipality may expend any moneys regardless of the source except in accordance with a budget ordinance and that the governing body shall not make any appropriation in excess of estimated available funds; and

WHEREAS, the Board of Mayor and Aldermen has published the annual operating budget and budgetary comparisons of the proposed budget with the prior year (actual) and the current year (estimated) in a newspaper of general circulation not less than ten (10) days prior to the meeting where the Board will consider final passage of the budget.

NOW THEREFORE BE IT ORDAINED BY THE BOARD OF MAYOR AND ALDERMEN OF THE TOWN OF FARRAGUT, TENNESSEE AS FOLLOWS:

SECTION 1: That the governing body projects anticipated revenues from all sources and appropriates planned expenditures for each department, board, office or other agency of the municipality, herein presented together with the actual annual receipts and expenditures of the last preceding fiscal year and the estimated annual expenditures for the current fiscal year, and from those revenues and unexpended and unencumbered funds as follows for fiscal year 2020, and including the projected ending balances for the budget year, the actual ending balances for the most recent ended fiscal year and the estimated ending balances for the current fiscal years:

GENERAL FUND	Estimated		
	Actual FY 2018	Actual FY 2019	Budget FY 2020
Cash Receipts			
Local Taxes	\$ 6,774,339	\$ 6,600,484	\$ 6,365,400
State Sales Tax	1,925,266	1,936,342	1,900,000
Hall Income Tax	1,091,836	955,913	400,000
Wholesale Beer, Liquor & Mixed Drink	1,384,611	1,257,122	1,150,000
Intergovernmental	703,310	713,524	650,000
Building Permits & Licenses	675,150	551,355	367,200
Recreation Fees	216,874	192,400	209,500
Traffic Enforcement Program & Fines	62,881	115,849	50,200
Rent	121,820	64,458	155,972
Miscellaneous	217,201	267,680	103,800
Transfers In - from other funds	-	-	-
Total Cash Receipts	\$ 13,173,288	\$ 12,655,127	\$ 11,352,072
Appropriations			
Legislative	\$ 43,269	\$ 46,151	\$ 57,450
Town Court	57,426	48,545	54,570
Administration	627,964	680,680	719,590
Human Resources	301,861	195,348	225,885
Information Technology	323,646	373,169	453,374
Engineering	618,771	683,120	681,702
Community Development	745,349	823,420	955,507
General Government	159,816	187,716	279,850
Parks & Recreation	1,018,879	1,112,759	1,179,891
Public Works	1,730,895	1,807,677	1,931,960
Non-Departmental	417,285	411,799	457,400
Community Center	-	72,000	312,008
Economic Development	153,800	131,750	127,000
Transfers Out - to other funds	4,350,000	3,750,000	7,575,000
Total Appropriations	\$ 10,548,961	\$ 10,324,134	\$ 15,011,187
Change in Cash (Receipts - Appropriations)	2,624,327	2,330,993	(3,659,115)
Beginning Cash Balance July 1	14,374,850	16,999,177	19,330,170
Ending Cash Balance June 30	\$ 16,999,177	\$ 19,330,170	\$ 15,671,055
30% of Expenditures	\$ 1,859,688	\$ 1,999,240	\$ 2,230,856
Available Fund Balance	\$ 15,139,489	\$ 17,330,930	\$ 13,440,199
Ending Cash as a % of Total Cash Payments/Appropriations	143.5%	167.9%	89.5%

STATE STREET AID FUND	Actual FY 2018	Estimated Actual FY 2019	Budget FY 2020
Cash Receipts			
State Gas and Motor Fuel Taxes	\$ 751,888	\$ 810,000	\$ 850,000
Interest	17,759	35,000	15,000
Transfers In - from other funds	200,000	100,000	-
Total Cash Receipts	\$ 969,647	\$ 945,000	\$ 865,000
Appropriations			
Street Maintenance	\$ 617,291	\$ 1,507,000	\$ 865,000
Total Appropriations	\$ 617,291	\$ 1,507,000	\$ 865,000
Change in Cash (Receipts - Appropriations)	352,356	(562,000)	-
Beginning Cash Balance July 1	1,438,059	1,790,415	1,228,415
Ending Cash Balance June 30	\$ 1,790,415	\$ 1,228,415	\$ 1,228,415
Ending Cash as a % of Total Cash Payments/Appropriations	290.0%	81.5%	142.0%

Equipment Fund	Actual FY 2018	Estimated Actual FY 2019	Budget FY 2020
Cash Receipts			
Interest	\$ 8,546	\$ 16,500	\$ 8,000
Sale of Equipment Proceeds	25,243	5,978	-
Transfers from General Fund	150,000	150,000	175,000
Total Cash Receipts	\$ 183,789	\$ 172,478	\$ 183,000
Appropriations			
Major Equipment	\$ 143,841	\$ 57,150	\$ 192,000
Total Appropriations	\$ 143,841	\$ 57,150	\$ 192,000
Change in Cash (Receipts - Appropriations)	39,948	115,328	(9,000)
Beginning Cash Balance July 1	751,978	791,926	907,254
Ending Cash Balance June 30	\$ 791,926	\$ 907,254	\$ 898,254
Ending Cash as a % of Total Cash Payments/Appropriations	550.6%	1587.5%	467.8%

Insurance Fund	Actual FY 2018	Estimated Actual FY 2019	Budget FY 2020
Cash Receipts			
Interest	\$ 1,100	\$ 600	\$ 600
Total Cash Receipts	\$ 1,100	\$ 600	\$ 600
Appropriations			
Retirement Benefit	\$ -	\$ -	\$ -
Total Appropriations	\$ -	\$ -	\$ -
Change in Cash (Receipts - Appropriations)	1,100	600	600
Beginning Cash Balance July 1	100,416	101,516	102,116
Ending Cash Balance June 30	\$ 101,516	\$ 102,116	\$ 102,716
ADA Project Fund	Actual FY 2018	Estimated Actual FY 2019	Budget FY 2020
Cash Receipts			
Interest	\$ -	\$ -	\$ 1,500
Transfer in from General Fund	-	-	150,000
Total Cash Receipts	\$ -	\$ -	\$ 151,500
Appropriations			
Improvements	\$ -	\$ -	\$ 150,000
Total Appropriations	\$ -	\$ -	\$ 150,000
Change in Cash (Receipts - Appropriations)	-	-	1,500
Beginning Cash Balance July 1	-	-	-
Ending Cash Balance June 30	\$ -	\$ -	\$ 1,500

SECTION 2: At the end of the fiscal year 2019, the governing body estimates fund balances or deficits as follows:

Fund	Estimated Fund Balance at June 30, 2019
General Fund	\$ 19,330,170
State Street Aid Fund	\$ 1,228,415
Capital Investment Program	\$ 11,046,347
Equipment Fund	\$ 907,254
ADA Project Fund	\$ -
Insurance Fund	\$ 102,116

SECTION 3: That the governing body herein certifies that the condition of its sinking funds, if applicable, are compliant pursuant to its bond covenants, and recognizes that the municipality has outstanding bonded and other indebtedness as follows:

Bonded or Other Indebtedness	Debt Authorized and Unissued	Outstanding at June 30, 2019	Principal Payment	Interest Payment
Bonds -	\$0	\$0	\$0	\$0

SECTION 4: During the coming fiscal year (2020) the governing body has pending and planned capital projects with proposed funding as follows:

Pending Capital Projects	Pending Capital Projects - Total Expense	Pending Capital Projects Expense Financed by Estimated Revenues and/or Reserves	Pending Capital Projects Expense Financed by Debt Proceeds
Smith Road Sidewalk	\$ 650,000.00	\$ 650,000.00	\$ 0
Little Turkey Creek Greenway	\$ 130,000.00	\$ 130,000.00	\$ 0
Community Center	\$ 425,000.00	\$ 425,000.00	\$ 0
Campbell Station Wall	\$ 200,000.00	\$ 200,000.00	\$ 0
McFee Park Exp. Phase III	\$ 8,000,000.00	\$ 8,000,000.00	\$ 0
Stormwater Improvements	\$ 750,000.00	\$ 750,000.00	\$ 0
Union Road	\$ 500,000.00	\$ 500,000.00	\$ 0
Signal System Upgrade	\$ 6,710,000.00	\$ 6,710,000.00	\$ 0
Virtue Road-Phase I	\$ 3,900,000.00	\$ 3,900,000.00	\$ 0
Jamestowne Blvd Study	\$ 80,000.00	\$ 80,000.00	\$ 0

Proposed Future Capital Projects	Proposed Future Capital Projects - Total Expense	Proposed Future Capital Projects Expense Financed by Estimated Revenues and/or Reserves	Proposed Future Capital Projects Expense Financed by Debt Proceeds
Land Acquisition	\$ 300,000.00	\$ 300,000.00	\$ 0
Pedestrian/Greenway Connectors	\$ 100,000.00	\$ 100,000.00	\$ 0
Little Turkey Creek	\$ 300,000.00	\$ 300,000.00	\$ 0
Campbell Station Inn Improvements	\$ 250,000.00	\$ 250,000.00	\$ 0
MBLP Turf Improvements	\$ 500,000.00	\$ 500,000.00	\$ 0
Anchor Park Fence	\$ 150,000.00	\$ 150,000.00	\$ 0
Anchor Park Basketball Resurfacing	\$ 40,000.00	\$ 40,000.00	\$ 0
Anchor Park Playground	\$ 415,000.00	\$ 415,000.00	\$ 0
MBLP Boardwalk Replacement	\$ 50,000.00	\$ 50,000.00	\$ 0
Stormwater Improvements	\$ 100,000.00	\$ 100,000.00	\$ 0
Union Road	\$ 3,520,000.00	\$ 3,520,000.00	\$ 0
Virtue Road-Phase II	\$ 330,000.00	\$ 330,000.00	\$ 0

SECTION 5: No appropriation listed above may be exceeded without an amendment of the budget ordinance as required by the Municipal Budget Law of 1982 (TCA § 6-56-208). In addition, no appropriation may be made in excess of available funds except to provide for an actual emergency threatening the health, property or lives of the inhabitants of the municipality and declared by a two-thirds (2/3) vote of at least a quorum of the governing body in accord with Tennessee Code Annotated § 6-56-205.

SECTION 6: Money may be transferred from one appropriation to another in the same fund, subject to such limitations and procedures as set by the Board of Mayor and Aldermen pursuant to Tennessee Code Annotated § 6-56-209. Any resulting transfers shall be reported to the governing body at its next regular meeting and entered into the minutes.

SECTION 7: A detailed financial plan will be attached to this budget and become part of this budget ordinance. In addition, the published operating budget and budgetary comparisons shown by fund with beginning and ending fund balances and the number of full-time equivalent employees required by Tennessee Code Annotated § 6-56-206 will be attached.

SECTION 8: This annual operating and capital budget ordinance and supporting documents shall be submitted to the Comptroller of the Treasury or Comptroller's Designee for approval if the Town has debt issued pursuant to Title 9, Chapter 21 of the Tennessee Code Annotated within fifteen (15) days of its adoption. This budget shall not become the official budget for the fiscal year until such budget is approved by the Comptroller of the Treasury or Comptroller's Designee in accordance with Title 9, Chapter 21 of the Tennessee Code Annotated (the "Statutes".) If the Comptroller of the Treasury or Comptroller's Designee determines that the budget does not comply with the Statutes, the Governing Body shall adjust its estimates or make additional tax levies sufficient to comply with the Statutes or as directed by the Comptroller of the Treasury or Comptroller's Designee. If the Town does not have such debt outstanding, it will file this annual operating and capital budget ordinance and supporting documents with the Comptroller of the Treasury or Comptroller's Designee.

SECTION 9: All unencumbered balances of appropriations remaining at the end of the fiscal year shall lapse and revert to the respective fund balances.

SECTION 10: All ordinances or parts of ordinances in conflict with any provision of this ordinance are hereby repealed.

SECTION 11: This ordinance shall take effect July 1, 2019, the public welfare requiring it.

Appendix D-Compensation Plan

Merit and Market Pay Plan

The purpose of the merit and market pay plan is threefold: to encourage excellence in service by tying salary increases to job performance rather than tenure; to reward employees for their efforts and job performance; and to remain competitive with other cities/towns in regard to the Town's compensation program.

Performance evaluations for all employees are completed during the month of May, regardless of the anniversary date of an employee's employment. Any approved merit increases are awarded during the month of July. There is no set time interval in which employees can expect to reach the top salary of their range.

Included in the 2019-2020 budget is a merit increase in which employees are eligible to receive a 0-4 percent increase in their base salaries. New employees who have yet to complete their initial trial periods by May will be eligible for an increase at the completion of their trial periods, which lasts a minimum of six months.

Grade	Salary Ranges	
	Minimum	Maximum
24	\$90,539.12	\$140,335.64
22	\$79,824.66	\$123,728.22
21	\$74,952.73	\$116,176.73
20	\$70,378.15	\$109,086.13
19	\$66,082.77	\$102,428.29
18	\$62,049.55	\$96,176.80
17	\$58,262.49	\$90,306.86
16	\$54,706.56	\$84,795.17
15	\$48,921.58	\$75,828.45
14	\$45,935.76	\$71,200.43
13	\$43,132.17	\$66,854.86
12	\$40,499.69	\$62,774.52
11	\$38,027.88	\$58,943.21
10	\$35,706.93	\$55,345.74
9	\$33,527.63	\$51,967.83
8	\$31,481.34	\$48,796.08
4	\$24,471.18	\$37,930.32
3	\$22,977.63	\$35,615.33
1	\$20,258.44	\$31,400.58

Farragut Employee Positions

Position	FY 17/18	FY 18/19	FY 19/20
Administrative Assistant	7	6	6
Administrative Assistant (Part-Time)	0	1	1
Assistant Community Development Director	1	1	1
Assistant Town Engineer	1	1	1
Assistant to the Town Administrator	1	1	1
Building Official	1	1	1
Community Development Director	1	1	1
Codes Officer/Commercial Plans Examiner	1	1	1
Codes Officers	2	2	2
Custodian	1	1	2
Engineering Technicians	2	2	2
Equipment Operators	18	18	18
Equipment Operators-Seasonal	4	4	4
Executive Assistant	1	1	1
Fire Marshall	2	2	2
Historic Resources Coordinator (Part-Time)	1	1	1
Human Resources Manager	1	1	1
IT Manager	1	1	1
Leisure Services Director	1	1	1
Media Assistant	0	0	1
Park & Athletics Coordinator	1	1	1
Park Assistants (Part-Time)	9	9	9
Parks Foreman	1	1	1
Park Operator	1	1	1
Payroll/Accounts Payable	1	1	1
Planner I	1	1	1
Public Relations Coordinator	1	1	1
Public Works Director	1	1	1
Road Foreman	1	1	1
Special Events Coordinator	1	1	1
Stormwater Coordinator	1	1	1
Tourism Coordinator (Part-Time)	1	1	1
Town Administrator	1	1	1
Town Engineer	1	1	1
Town Recorder/Treasurer	1	1	1
Traffic Enforcement Manager	1	1	1
Total Employees	71	71	73

Appendix E-FY20 Fee Schedule

<u>FY2020 Fee Schedule</u>		
	-	-
		<u>Approved Fee</u>
<u>Administration</u>		
Beer Permit		\$250
Beer Permit Privilege Tax		\$100
Retail Liquor Store Application		\$300
Liquor Privilege Tax		
	Private Club	\$300
	Hotel & Motel	\$1,000
	<u>Restaurants, according to seating</u>	
	75-125 seats	\$600
	126-175 seats	\$750
	176-225 seats	\$800
	226-275 seats	\$900
	276 seats & over	\$1,000
Wine Only Privilege Tax		\$120
Solicitation Permit		\$15
Records Request/Copies	Black & White 8 1/2 X 11	\$0.15
(see Section 1-307 of Farragut Municipal Code)	Color 8 1/2 X 11 or 8 1/2 X 14	\$0.50
	Color 36 X 24	\$5
	Larger copies	Cost of production
	Labor to fill request	Charges based on employee hourly rate and time to fulfill request
Notary Service	\$0 for Farragut residents	\$10 per stamp/signature
Credit Card Fee		2% transaction fee
<u>Engineering</u>		
Drainage Fee		
	Commercial/Office Development	\$0.03 per square foot of impervious surface
	Residential Development	\$40 per subdivision lot

<u>Community Development</u>		<u>Approved Fee</u>
	Illegal Parking (in fire lanes)	\$25
	Special Events Permit	\$25
	Temporary Sign	\$25
	Food Truck, per truck/per day	\$20
	Zoning Letter	\$25
	Trailblazer Signs	\$250
	Licensing Fee	\$100
	Grand Opening security deposit	\$300
	Grand Opening Permit	\$25
	Celebratory Events Permit	\$25
Building Permits	Permit valuation shall include total value of work, including labor and materials, for which the permit is being issued	
	Total Valuation:	
	\$1,000 and less	\$35.00 minimum
	\$1,001 to \$50,000	\$35.00 for the first \$1,000, plus \$6.50 for each additional thousand or fraction thereof, to and including \$50,000
	\$50,001 to \$100,000	\$340 for the first \$50,000, plus \$5.25 for each additional thousand or fraction thereof, to and including \$100,000
	\$100,001 to \$500,000	\$600 for the first \$100,000, plus \$4.00 for each additional thousand or fraction thereof, to and including \$500,000
-	\$500,001 and up	\$2,260 for the first \$500,000, plus \$2.60 for each additional thousand or fraction thereof

Plumbing Permit		\$35, plus \$5.00 for each fixture
Gas Permit		\$35 for first tap, plus \$5.00 for each additional tap
Mechanical Permit-Commercial		\$35 for first \$1,000, per total value of installation, plus \$5.00 for each additional thousand or fraction thereof
	Boilers (any occupancy)	\$10.00 plus
	33,000 Btu (1BHp) to 165,000 (5BHp)	\$5.00
	165,001 Btu (5BHp) to 333,000 (BHp)	\$10.00
	333,001 (10BHp) to 1,165,000 (52BHp)	\$15.00
	1,165,001 (52BHp) to 3,300,000 (98BHp)	\$25.00
	over 3,300,000	\$35.00
Mechanical Permit-Residential		\$35, plus \$35 per each unit
Swimming Pool Permit		
	Public Pool	Per total value of construction as per building permit
	Private pool (one & two family)	Per total value of construction
	Pool fillings system, including backflow prevention	\$1.50 each
	Gas piping system (separate gas permit)	See Gas Permit
	Backwash receptor	\$1.50 each
Demolition Permit (for demolition of any building or structure)		
	0-100,000 cubic feet	\$100
	100,001 cubic feet and over	\$1.00/1,000 cubic feet
Moving Permit (for moving any building or structure)		\$100, plus any applicable bonds

Re-Inspection Fee		\$50 for 1st re-inspection and \$100 for 2nd re-inspection and \$200 for re-inspections of the same failure beyond the 2nd re-inspection
Commencing Work Without a Permit		Fee will be double the calculated building permit fee
Building Permit Application Extension		\$100 with up to 90 days as the maximum extension
Building Permit Extension		\$100 with up to 180 days as the maximum extension
Temporary Certificate of Occupancy	Residential-30-day maximum	\$100
Temporary Certificate of Occupancy	Non-residential-30-day maximum	\$200
Plan Review Fee		Fee is one half of the calculated Building Permit Fee, which is to be paid at the time of plan submittal. One- and two-family dwellings are exempt. This fee includes an initial submittal and one correction submittal. All additional submittals will require a \$250 re-submittal fee
Re-submittal Plans Review Fee		Re-submittal fees are a minimum of \$250 or one half of the calculated building permit fee based on the difference between the original building value and the revised building value, whichever is greater

Fire Prevention Fee	Fire Sprinkler System Permit	- \$0.02 per square foot or \$100 (whichever is greater)
	Fire Alarm System Permit	\$0.02 per square foot or \$100 (whichever is greater)
	Modifications to existing fire alarm or sprinkler systems if work does not exceed \$1,000; if does exceed \$1,000, refer to Fire Alarm or Sprinkler System Permit fee	\$50
	All other permits	\$50
Subdivision Fees	Concept Plan	\$100
	Preliminary Plat	\$100 plus \$25/lot
	Final Plat	\$100 plus \$25/lot
Site Plan Fees	Less than 3 acres or proposed gross square footage of building space is less than 10,000 square feet	\$100
Site Plan Fees	More than 3 acres or proposed gross square footage of building space is more than 10,000 square feet	\$200
Landscape Plan Fees		\$50
Zoning Ordinance & Subdivision Regulations Text Amendment Fees	Amend written text	\$250
Zoning Map Amendment Fees	Amend map	\$300
Comprehensive Land Use Plan Amendment	Amend text or map	\$300
Municipal Code Text Amendment Fee		\$250
Sign Fees	Application to erect a sign.	\$100

Sign Modification Without a Permit	Modification to a sign or installation of a sign prior to obtaining approval by the Town	\$200
Sign Fees for Tenant Panel Addition or Modification to Tenant Panel on Existing Ground Mounted Sign		\$50/panel
Home Occupation Fee		\$50
Board of Zoning Appeals - Special Exception, Use on Review, or Interpretation Request		\$100
Board of Zoning Appeals - Variance Request		\$300
Everett Road Corridor Fee		Ordinance 14-19
Parks & Leisure Services		Approved Fee
Facility		
Community Room/Board Room Rental		\$20 per hour; \$30 with kitchen
Picnic/Pavilions Rental	Essex (AP); Burnside (CSP)	\$25 half day/ \$40 full day
	Hartford & Saratoga (AP); Longstreet (CSP)	\$45 half day/\$80 full day
	McFee Small	\$85 half day/\$125 full day
	McFee Large	\$95 half day/\$145 full day
Athletic, Effective March 1, 2018	Fields (Diamond & Rectangular)	\$20 per hour
	Fields (Artificial Turf)	\$40 per hour
	Softball Fees	\$325 per team
	Competitive, Recreational & Intermediate Volleyball Fees	\$165 per team
	Open Volleyball Fees	\$150 per team
Field Closed Non-Compliant Fee		\$100 per event
For-Profit/Park Usage Fee	Professional Photographers, For profit classes, Trainers, Etc.	\$25 per hour
Tournament Usage Fee	Grass Field/Volleyball Complex	\$85 half day/\$150 full day
	Synthetic Turf Field	\$170 half day/\$300 full day
Concession/Vendor Fee	Per Vendor/All Weekend	\$20 per day
Special Event Park Use Fee - Founders Park Only		\$200 per 4 hours; \$50 per hour for each additional hour

Glossary

ACCURAL: in finance, the adding together of interest or different investments over a period of time. It holds specific meanings in accounting, where it can refer to accounts on a balance sheet that represent liabilities and non-cash-based assets used in **accrual**-based accounting

APPROPRIATION: An authorization granted by the Board of Mayor and Aldermen to make budgeted expenditures and to incur obligations for purposes specified in the budget ordinances.

APPROVED BUDGET: Term used to describe revenues and expenditures for the upcoming adopted by the Board of Mayor and Aldermen.

BALANCED BUDGET: Occurs when planned expenditures equal anticipated revenues. In Tennessee, it is a requirement that the budget approved by the Board of Mayor and Aldermen be balanced.

BMA: The Farragut Board of Mayor and Aldermen.

BOND: a certificate issued by a government or a public company promising to repay borrowed money at a fixed rate of interest at a specified time

BUDGET: A comprehensive financial plan of operation for a specified period of time that matches all planned revenues and expenditures with various municipal services. The Town's budget is adopted annually.

BUDGET AMENDMENT: A formal change of budgeted appropriations requiring 2 readings by the Board of Mayor and Aldermen.

BUDGET CALENDAR: The schedule of key dates or milestones which the Town follows in the preparation and adoption of the budget.

BUDGET DOCUMENT: The official written statement prepared by the Town staff reflecting the decisions made by the Board in their budget deliberations

BUDGET MESSAGE: A general discussion of the budget which provides the Board of Mayor and Aldermen and the public with a general summary of the most important aspects of the budget, changes from previous fiscal years, and the views and recommendations of the Town Administrator.

BUDGET ORDINANCE: The schedule of revenues and expenditures for the upcoming fiscal year by fund which is adopted by the Board of Mayor and Aldermen each year.

CAPITAL EXPENDITURE: is incurred when the Town spends money either to acquire or construct major capital facilities, to buy fixed assets or to add to the value of an existing fixed asset with a useful life extending beyond the fiscal year.

CAPITAL INVESTMENT PLAN (CIP): A plan for capital expenditures to be incurred each year over a five-year period to meet capital needs by the Town. Used to account for acquisition and/or construction of major capital projects, including buildings, parks, streets, bridges and other Town facilities, infrastructure, and equipment.

COMPENSATED ABSENCE: are **absences** for which employees will be paid, such as vacation, sick leave

COMPREHENSIVE ANNUAL FINANCIAL REPORT

(CAFR): Issued at the end of a fiscal year, it includes comparisons to the budgeted amounts in the general and special revenue funds to ensure compliance with the legally adopted budget. The CAFR is prepared in accordance with GAAP (Generally Accepted Accounting Principles), the accounting principles that are commonly used in preparing financial statements and generally accepted by the readers of those statements. The authoritative source of GAAP for state and local governments is the Governmental Accounting Standards Board (GASB).

DEBT SERVICE: Payment of long-term debt principal, interest, and related costs.

DEPARTMENT: A major administrative or operational division of the Town which indicates overall management responsibility for an operation or a group of related operations within a functional area. A department usually has more than one program and may include activities or divisions which are accounted for in different funds.

DEPRECIATION: a reduction in the value of an asset with the passage of time, due in particular to wear and tear

EXPENDITURE: The authorized paying out of Town funds to defray the Town charges and expenses and all necessary obligations relating to, or arising from, the execution of the lawful authority of the Board of Mayor and Aldermen.

FEES: A general term used for any charge levied by the Town associated with providing a service or permitting an activity.

FISCAL YEAR: The time period beginning on July 1st of a calendar year and ending on June 30 of

the following calendar year. Budgeting is carried out on a fiscal year schedule.

FUND: A fund is a fiscal and accounting entity with a self-balancing set of accounts. It is also the legal level of budgetary control for the Town.

FUND BALANCE: Amounts shown as fund balance represent monies which remain unspent after all budgeted expenditures have been made.

GENERAL FUND: The general operating fund of the Town used to account for all financial resources except those required to be accounted for in another fund. Most department operations of the Town are funded by the general fund including administration, engineering, community development and parks.

GFOA: Government Finance Officers Association. A professional organization primarily of state and local government finance officers.

GOAL: An individual result that an organization wants to achieve.

GOVERNMENTAL FUND: Governmental funds are those used to account for all or most of the Town's general activities and services, including the acquisition or construction of capital assets.

INTERFUND TRANSFERS: Amounts transferred from one fund to another.

LGIP: The Local Government Investment Pool (LGIP) is an investment mechanism authorized by the 91st General Assembly which enables all Tennessee municipalities, counties, school districts, utility districts or other local government units and political subdivisions to

participate with the state in providing maximum opportunities for the investment of public funds.

LIABILITIES: Probable future sacrifices of economic benefits, arising from present obligations of a particular entity to transfer assets or provide services to other entities in the future as a result of past transactions or events.

LINE ITEM BUDGET: A budget summarizing the detail categories of expenditures for goods and services the Town intends to purchase during the fiscal year.

MAJOR FUND: are **funds** whose revenues, expenditures/expenses, assets, or liabilities (excluding extraordinary items) are at least 10 percent of corresponding totals for all governmental or enterprise **funds** and at least 5 percent of the aggregate amount for all governmental and enterprise **funds**

MODIFIED ACCRUAL: The basis of accounting where expenditures are recognized when incurred and payment is due, and revenues are recognized when they are measurable and available (generally collected within 60 days).

MUNICIPAL CODE: A compilation of ordinances as adopted and approved by the Board of Mayor and Aldermen.

PERFORMANCE MEASUREMENTS: Specific measures of work performed as an objective of the various departments based upon quality and quantity of particular items.

OPERATING BUDGET: The Operating Budget is adopted by the Board of Mayor and Aldermen by resolution on a fiscal year basis, and an annual appropriation is made based upon this

Budget. The Budget may be amended during the fiscal year.

OPERATING EXPENSES: The cost of contractual services, materials, supplies and other expenses not related to personnel and capital outlay expenses or capital projects.

OPERATING TRANSFER: The routine and/or recurring transfer of assets between funds.

PERSONNEL: Cost of salaries, wages, and fringe benefits such as employer's share of social security contributions, retirement expenses, and health and life insurance payments.

PROGRAM CHANGE: An alteration or enhancement of current services or the provision of new services

REVENUE: Income received from various sources used to finance government services. For example, local sales tax revenue.

RISK MANAGEMENT: An organized attempt to protect a government's assets against accidental loss in the most economical method.

SPECIAL REVENUE FUND: Special revenue funds are used to account for resources that are subject to certain legal spending restrictions. The Town has one (1) special revenue fund: State Street Aid

STATE STREET AID: A special revenue fund used to account for the receipt and usage of the Town's share of State gasoline taxes. State law requires these gasoline taxes to be used to maintain streets.

TARGET: The extent an organization wants a performance measure to reach, in a specific time frame, signifying achievement of the goal.

TML RISK MANAGEMENT POOL: A self-insurance pool formed in 1981 by the Tennessee Municipal League.

TRANSFER: An appropriation to or from another fund. A transfer is the movement of money from one fund to another to wholly or partially support the functions of the receiving fund.